FEDERAL REGISTER

VOLUME 19 NUMBER 182

Washington, Saturday, September 18, 1954

TITLE 3—THE PRESIDENT

PROCLAMATION 3066

NATIONAL EMPLOY THE PHYSICALLY HANDICAPPED WEEK, 1954

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS the year 1954 marks the tenth anniversary of the observance of a week dedicated to publicizing the urgent need for employing the physically handicapped; and

WHEREAS recent legislation enacted by the Congress will tend to increase greatly the number of our citizens who will be rehabilitated and prepared for gainful occupation annually, thus requiring redoubled activity in the field of employment; and

WHEREAS observance of this week materially aids the President's Committee on Employment of the Physically Handicapped in the accomplishment of its main objectives: to inform employers of the abilities of qualified handicapped workers, to encourage employers to hire such workers, and to increase community understanding of the value of rehabilitation and employment of the handicapped; and

WHEREAS the ever-increasing awareness among public and private employers of the desirability of hiring the handicapped should be maintained and stimulated further; and

WHEREAS the observance of National Employ the Physically Handicapped Week once each year, as authorized by a joint resolution of the Congress approved August 11, 1945 (59 Stat. 530) emphasizes the need for a year-round program:

NOW THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do call upon the people of our Nation to observe the week beginning October 3, 1954, as National Employ the Physically Handicapped Week, and to cooperate with the President's Committee on Employment of the Physically Handicapped in carrying out the aforementioned resolution of Congress.

I also request the Governors of States, the mayors of municipalities, other public officials, leaders of industry and labor, and members of religious, civic, veterans', agricultural, women's, handicapped persons' and fraternal organizations, to participate actively in this observance.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this 13th day of September in the year of our Lord nineteen hundred and [SEAL] fifty-four, and of the Independence of the United States of America the one hundred and seventy-ninth.

DWIGHT D. EISENHOWER

By the President:

JOHN FOSTER DULLES,
Secretary of State.

[F. R. Doc. 54-7392; Filed, Sept. 16, 1954; 1:59 p. m.]

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 25—FEDERAL EMPLOYEES PAY REGULATIONS

LONGEVITY STEP INCREASES; MISCELLANEOUS AMENDMENTS

Effective at the beginning of the first pay period following September 1, 1954, § 25.51, paragraphs (b) and (d) of § 25.52, and paragraphs (a) and (c) of § 25.54 are amended as set out below.

§ 25.51 *Scope.* Sections 25.51 to 25.54 apply to all officers and employees in or under the departments as defined in section 201 (a) of the Classification Act of 1949, subject to the exemptions specified in sections 202, 204, and 705 of that act, in positions in the CPC Schedule, or not above grade 15 of the General Schedule, who meet all of the conditions of eligibility for longevity step increases.

§ 25.52 *Definitions.* * * *

(b) "Longevity step increase" is a step increase above the maximum scheduled rate of the grade equal to a full step of the grade, or $200 for grade GS–15, or an increase in an amount required to complete a full step (or $200 for grade GS–15) where the employee's existing rate of basic compensation is not a standard maximum or longevity rate for

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FEDERAL REGISTER

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CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

CODIFICATION GUIDE—Con.

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the grade in which the employee's position is placed.

* * * * *

(d) "Longevity period" is three years, of the aggregate period, of continuous service in a Classification Act position: (1) At the maximum scheduled rate of the employee's grade; or (2) at a longevity rate of the employee's grade; or (3) at a rate in excess of such maximum scheduled rate in accordance with a provision of law; or (4) at any of the rates specified in subparagraphs (1) (2), or (3) of this paragraph, in a grade higher than his current grade. Intervening military service interrupting continuous service at one of the above rates is creditable for longevity step increases. A change of grade or rate of basic compensation prescribed by any law of general application does not begin a new longevity period. Any period of creditable service in excess of one or two complete longevity periods (except as otherwise provided in § 25.54 (c)), shall be credited toward the completion of the employee's next longevity step period. A new longevity period begins when a longevity step increase is effected, or after a break in service in excess of four workweeks. The longevity period shall be extended for a sufficient amount of paid service to make up unpaid absences in excess of a total of six workweeks during such period.

* * * * *

§ 25.54 *Miscellaneous provisions.* (a) Any officer or employee receiving a rate of basic compensation in excess of the maximum scheduled rate for his grade in accordance with any provision of law, shall be granted longevity step increases only when they would have been granted under this subpart and section 703 (c) of the Classification Act of 1949, if his salary had been at the maximum scheduled rate of the grade at the time such saving clause first applied to his rate of basic compensation.

* * * * *

(c) Service immediately prior to the effective date of this subpart shall be counted toward one, two, or three longevity step increases as provided above. In the case of officers and employees in grades 11 to 15, inclusive, of the General Schedule who are receiving compensation at or above the maximum scheduled rates for their respective grades on the date immediately preceding the effective date of section 103 (a) of Public Law 763, approved September 1, 1954, not to exceed three (3) years of service performed immediately preceding such effective date shall be counted toward longevity step increases.

(Sec. 1101, 63 Stat. 871, secs. 102, 103, 63 Stat. 1105, 1106; 5 U. S. C. 1072)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] WM. C. HULL,
Executive Assistant.

[F. R. Doc. 54-7338; Filed, Sept. 17, 1954; 8:51 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter III—Farmers Home Administration, Department of Agriculture

Subchapter F—Security Servicing and Liquidations

[FHA Instruction 462.1 and Administration Letter 348 (462)]

PART 371—OPERATING LOANS

SUBPART A—GENERAL SECURITY SERVICING

WAIVER OF LIENS IN CONNECTION WITH CCC LOANS

Section 371.7 in Title 6, Code of Federal Regulations (19 F R. 3939) is hereby revised to add provisions for the handling of lien waivers in connection with Commodity Credit Corporation loans on cotton. As revised, § 371.7 reads as follows:

§ 371.7 *Waivers of crop liens for borrowers receiving loans under the Commodity Credit Corporation Program*—(a) *Authority.* County Supervisors are authorized to execute waivers of Farmers Home Administration liens on property (other than real estate) in favor of the Commodity Credit Corporation (CCC), or its approved lending agencies, to enable borrowers indebted to the Farmers Home Administration to obtain CCC loans other than on wool; *Provided,* The funds from such loans are to be used for the purposes set forth in § 371.4 (b) the loan is in the full amount of the CCC loan value of the total quantity of the commodity described in the CCC loan forms; and the producers' notes contain requests for the disbursement of loan funds, as set forth in paragraph (b) of this section: *And provided further* That when the amount of the commodity loan is less than the market value of the crop pledged:

(1) The borrower has paid or will pay from the CCC loan the amount due on debts owed the Farmers Home Administration for the crop year, including any delinquencies; or

(2) The borrower has not paid or will not be able to pay from the CCC loan the amount due on debts owed the Farmers Home Administration for the crop year, including any delinquencies, and the following requirements are complied with:

(i) Except in the case of cotton loans, the borrower must show his mailing address as the Farmers Home Administration County Office on the CCC loan documents so that any checks representing additional proceeds from the commodity will be received in the County Office. When such checks are received in the County Office, the County Supervisor will arrange with the borrower for the use of the income for one or more of the purposes set forth in § 371.4 (b)

(ii) In the case of cotton loans:

(*a*) In cases where cotton loans are to be obtained directly from the CCC or its approved lending agencies, borrowers must agree on Form FHA–936, "Borrower's Agreement," for the County Supervisor to receive and retain custody of "Producer's Loan Statement–A" which includes the "Producer's Redemption Request" and "Producer's Equity Transfer Agreement" and to receive and open any and all correspondence mailed to him by the CCC at the mailing address of the County Office; that he will not redeem the cotton, or sell, transfer or assign his equity therein, except with the written consent of, and under conditions established by the Farmers Home Administration; and that if he does not redeem his cotton or transfer his equity therein, and the cotton is subsequently sold, purchased, or pooled by the Commodity Credit Corporation, he will apply on the account secured by the cotton all proceeds received from the CCC representing his share of the income from the sale of the cotton, or so much thereof as is necessary to pay such account.

(*b*) In cases where cotton loans are to be obtained from cotton cooperative associations, the cotton cooperative associations must agree, in accordance with State instructions issued for this purpose, to pay the proceeds of the loan and any future equity payments indicated on CCC Cotton Form G–2, or other similar Form used by the Association, in form of a check or draft payable jointly to the borrower and the Farmers Home Administration, and to mail all correspondence and checks pertaining to the pledged cotton to the borrower in care of the County Supervisor, including warehouse receipts if the association permits its members to redeem their cotton and such action is taken by the borrower; and the borrower must agree on Form FHA–936A, "Borrower's Agreement (Association Loans) " with the requirements specified herein, and for the County Supervisor to receive and open any and all correspondence mailed to him by the cotton cooperative association at the mailing address of the County Office.

(*c*) When the borrower expresses a desire to redeem the cotton, the County Supervisor will agree for this to be done, provided there is an agreement between the borrower, the County Supervisor, and the bank designated to receive the warehouse receipts, that such receipts will be delivered to the Farmers Home Administration. After such agreement has been reached, the County Supervisor will assist the borrower in the preparation of the "Producer's Redemption Request" on the "Producer's Loan Statement-A," exercising care to insert the name of the appropriate bank in the space provided for that purpose. After the warehouse receipts are received, the County Supervisor will agree for the cotton to be sold upon the condition that the sales check will be made payable to the borrower and the Farmers Home Administration. If the borrower expresses a desire to transfer his equity in the cotton, the County Supervisor will agree for this to be done, and will release to the transferee (purchaser) the "Producer's Loan Statement-A" upon receipt of a check made payable jointly to the borrower and the Farmers Home Administration, covering the borrower's equity in the cotton, provided the purchase price is equal to the current fair market value of the borrower's interest in the cotton, or the amount owed the Farmers Home Administration which was secured by the cotton. If the borrower does not exercise his redemption right or transfer his equity, the cotton will be sold, purchased, or "pooled" by the Commodity Credit Corporation. In either event, the borrower eventually will receive a check for his equity, if any through the mail, at the County Office address. The County Supervisor will notify the borrower when such check is received.

(b) *Routines for handling lien waivers.* For borrowers to obtain Commodity Credit Corporation loans, County Supervisors will be required to execute waivers of Farmers Home Administration liens. Waiver forms on CCC Loan Forms AA and B, CCC Rice Form E, and CCC Cotton Forms A, FF and G–2 will be furnished by the CCC or its approved lending agencies. If any other type of lien waiver form is being used locally for CCC loans, such form may be used to waive the lien of the Farmers Home Administration if approval by the State Director upon the advice of the representative of the Office of the Solicitor. The borrower will be required by the CCC to sign a producer's note to evidence the commodity loan. The producer's note should provide for the issuance of a check payable to the Farmers Home Administration for the total amount to be paid to it.

(c) The County Supervisors are authorized to redelegate to Assistant County Supervisors authority to execute waivers of Farmers Home Administration liens on property (other than real estate) in favor of the Commodity Credit Corporation, or its associate lending agencies, as provided in this section.

(R. S. 161, sec. 6 (3), 50 Stat. 870, sec. 41 (1), 60 Stat. 1066, 62 Stat. 1038, sec. 1 (a), (b), (d), 63 Stat. 43, 44, sec. 2 (a), 63 Stat. 44, sec. 2 (b), 67 Stat. 149, sec. 10 (a) (7), 68 Stat. 735; 5 U. S. C. 22, 16 U. S. C. 590w (3), 7 U. S. C. 1015 (i), 12 U. S. C. 1148a–1 (a), (b), (d) 1148a–2 (a), (b). Interprets or applies sec. 44 (b), 60 Stat. 1069, sec. 2 (a), 63 Stat. 44, sec. 2 (b) (c), 67 Stat. 149, sec. 2, 67 Stat. 150, sec. 2 (3), 50 Stat. 869, sec. 2, 62 Stat. 1192, sec. 1 (a), (b), 63 Stat. 43, 64 Stat. 414, 62 Stat. 1038, 63 Stat. 82, sec. 2 (f), 64 Stat. 100, secs. 9, 10 (a) (1), 68 Stat. 735; 7 U. S. C. 1018 (b), 12 U. S. C. 1148a–1 (a), (b), 1148a–2 (a), (b), (c), 12 U. S. C. 1148a–4, 16 U. S. C. 590c (3) 40 U. S. C. 440 (f))

Issued this 14th day of September 1954.

[SEAL] H. C. SMITH,
Acting Administrator,
Farmers Home Administration.

[F. R. Doc. 54–7324; Filed, Sept. 17, 1954; 8:48 a. m.]

Chapter IV—Commodity Stabilization Service and Commodity Credit Corporation, Department of Agriculture

Subchapter B—Loans, Purchases, and Other Operations

PART 472—WOOL

SUBPART—TERMS OF SALE OF WOOL OWNED BY COMMODITY CREDIT CORPORATION

This document sets forth certain basic terms and conditions of sale of wool acquired by Commodity Credit Corporation (hereinafter referred to as "CCC") in connection with its Wool Price Support Programs.

Sec.
472.536 Sales agents.
472.537 Basis of sale.
472.538 Sales price.
472.539 Sales confirmation.
472.540 Point of delivery.
472.541 Weight.
472.542 Risk of loss and liability for storage charges.
472.543 Settlement.
472.544 Limitation on sales.
472.545 Contractual rights.

AUTHORITY: §§ 472.536 to 472.545 issued under sec. 4, 62 Stat. 1070, as amended; 15 U. S. C. 714b. Interpret or apply sec. 5, 62 Stat. 1072; 15 U. S. C. 714c.

§ 472.536 *Sales agents.* Sales of wool owned by CCC are made by wool dealers, cooperative marketing associations, and pulleries (such persons are referred to in this subpart as "handlers") who have entered into agreements with CCC to store, handle, and sell wool to which CCC acquires title under its Wool Price Support Programs. Each handler is authorized to sell only the CCC-owned wool which is in his custody. Handlers are required to give all purchasers an equal opportunity to purchase wool owned by CCC. Options shall not be granted, and wool is not to be earmarked for any prospective purchaser. The sales operation is administered through the CSS Commodity Office located at Boston, Massachusetts. (The Commodity Stabilization Service is referred to herein as "CSS".) Names of the approved handlers authorized to sell wool for the account of CCC may be obtained from the Boston CSS Commodity Office, 408 Atlantic Avenue, Boston 10, Massachusetts. Handlers are not authorized to modify or waive the terms of sale as set forth in this subpart or any amendments or supplements thereto.

§ 472.537 *Basis of sale.* All sales are final and unconditional, and the wool is sold "as is, where is." Grease wool may be sold subject to a redetermination of shrinkage by core test, provided the purchaser agrees to take delivery of the wool irrespective of whether the shrinkage is increased or decreased and

the sales confirmation so indicates. Although part lots may be sold, sales are not made subject to the right of the purchaser to select specific bags or bales of wool from a lot or to reject wool from the bags or bales. Wool (original bag or otherwise) is not sold subject to withdrawal of tags, black, burry, or other off wools.

§ 472.538 *Sales price.* The minimum prices at which CCC-owned wool may be sold are issued from time to time by the Boston CSS Commodity Office. The minimum selling price for any lot of wool is determined on the basis of the description and shrinkage of the wool as shown in the latest appraisal certificate covering the lot and the minimum selling price prescribed by CCC which is in effect on the date of sale. While this is the minimum price at which wool owned by CCC may be sold, handlers, as agents of CCC, are required to obtain the highest prices possible for wool under prevailing market conditions.

§ 472.539 *Sales confirmation.* All sales shall be confirmed in writing by an authorized representative of the purchaser. The purchaser's confirmation must show the date of sale and the price and clearly describe the wool by type, quantity, and lot number or other definite identification so that no doubt will arise as to which wool is covered by the sale.

§ 472.540 *Point of delivery.* Sales of wool for the account of CCC are made on an ex-warehouse basis. The purchaser shall take delivery at the warehouse where the wool is stored at the time of sale and will be billed at the applicable selling price less, in the case of wool stored outside the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut, a freight allowance determined by the handler in accordance with procedure prescribed by CCC.

§ 472.541 *Weight*—(a) *General.* CCC wool is sold on the basis of outweights at the warehouse where the wool is stored at the time of sale, except in cases where CCC specifically authorizes the use of a different weight. If, as a result of the purchaser's failure to issue delivery instructions, the outweights are not determined in time to permit remittance of sales proceeds to CCC within 30 days after the date of sale (see § 472.543) a pro forma payment will be required on the basis of inventory weights or estimated weights, with final billing to be made on the basis of actual outweights when such outweights are determined.

(b) *Exceptions.* CCC may authorize the sale of wool on the basis of weights taken on a date near the date of sale instead of on the basis of outweights. Wool sold subject to a redetermination of shrinkage by core test may be billed on the basis of weights taken at the time of coring for completion of the new appraisal certificate.

§ 472.542 *Risk of loss and liability for storage charges.* The risk of loss passes to the purchaser upon delivery of the wool, except that if the wool is not delivered within 30 days after date of sale, the risk of loss shall pass to the purchaser upon the expiration of such 30-day period. CCC will pay storage charges only through the storage month current at the time the risk of loss passes to the purchaser and will not be liable for storage charges which become due after the risk has passed.

§ 472.543 *Settlement.* The purchaser shall pay the sales price to the handler immediately upon delivery of the wool except that, under the circumstances described hereinafter in this section, he shall pay in accordance with a pro forma invoice. If the handler determines that delivery will not be taken in time to enable him to remit the sales proceeds to CCC within 30 days after the date of sale, he will render a pro forma invoice to the purchaser on the basis of weights specified in § 472.541, requiring payment on a specified date, in time to enable himself to remit the proceeds to CCC within 30 days after the date of sale. After making a payment in accordance with the pro forma invoice, the purchaser shall make final settlement upon delivery of the wool, except that if the handler determines that the wool will not be moved out of the warehouse in time for the purchaser to make final settlement within 3 months after the date of sale, the wool will be weighed at the expense of the purchaser, and he shall make final settlement within such 3-month period. Irrespective of whether a pro forma invoice has been rendered, the purchaser may take delivery and pay the sales price in time for the handler to remit the sales proceeds to CCC within 30 days after the date of sale; and in such case, the date of delivery—rather than the date specified in the pro forma invoice—shall be the date when payment by the purchaser is due.

§ 472.544 *Limitation on sales.* A handler may not purchase wool owned by CCC which is in his own custody and may not dispose of such wool to any person or firm in a manner that will result in any reward, financial benefit, profit, or payment to the handler, any affiliated organization, or any officer or employee of the handler or such affiliated organization, other than the fees and payments allowed the handler by CCC under his agreement with CCC, unless specifically authorized by CCC. Handlers may, however, purchase from other handlers wool owned by CCC.

§ 472.545 *Contractual rights.* Nothing in this subpart shall change or affect the contractual rights or obligations under the Wool Handler's Agreements or the Pulled Wool Agreements entered into by and between CCC and the handlers or under instructions issued by CCC in accordance with such agreements.

Issued this 15th day of September 1954.

[SEAL] J. A. McCONNELL,
Executive Vice President,
Commodity Credit Corporation.

[F. R. Doc. 54-7353; Filed, Sept. 17, 1954; 8:54 a. m.]

TITLE 7—AGRICULTURE

Chapter I—Agricultural Marketing Service (Standards, Inspections, Marketing Practices), Department of Agriculture

PART 52—PROCESSED FRUITS AND VEGETABLES, PROCESSED PRODUCTS THEREOF, AND CERTAIN OTHER PROCESSED FOOD PRODUCTS

SUBPART—U. S. STANDARDS FOR GRADES OF CANNED GRAPEFRUIT JUICE[1]

On July 3, 1954, a notice of proposed rule making was published in the FEDERAL REGISTER (19 F. R. 4031) regarding a proposed revision of the United States Standards for Grades of Canned Grapefruit Juice (§§ 52.1191 to 52.1202)

After consideration of all relevant matters presented, including the proposal set forth in the aforesaid notice, the following United States Standards for Grades of Canned Grapefruit Juice are hereby promulgated under the authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087 et seq., 7 U. S. C. 1621 et seq.).

The proposed revision of the United States Standards for Grades of Canned Grapefruit Juice which were contained in the aforesaid notice are hereby adopted in the form in which such standards appeared in said notice and are hereby incorporated herein by this reference except for the following changes:

1. Footnote 1. Insert at the beginning of this footnote, the words "Compliance with"

2. Section 52.1191, line 8: Insert as a second word "non-liquid" following the article "a"

3. Section 52.1197, (a) (2) line 6: Correct the spelling of the second word to read "browning"

4. Section 52.1198, (c) line 5: Correct the spelling of the third word to read "classification"

5. Section 52.1199, (a) (1) (iii) Change this subdivision to read:

(iii) Brix-acid ratio: Not less than 8 to 1 nor more than 14 to 1: *Provided, That*

(*a*) When the juice has a Brix of 9.5° or more, the Brix-acid ratio may be not less than 7.5 to 1; or

(*b*) When the juice has a Brix of 10.5° or more, the Brix-acid ratio may be not less than 7 to 1.

6. Section 52.1199, (c), line 4: Delete the word "unpalatable" and substitute "off-flavor"

The United States Standards for Grades of Canned Grapefruit Juice (which is the seventh issue) contained in this subpart shall become effective 30 days after the date of publication hereof in the FEDERAL REGISTER and thereupon will supersede the United States Standards for Grades of Canned Grapefruit

[1] Compliance with the requirements of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act, or with applicable State laws and regulations.

Juice (§§ 52.1191 to 52.1202) which have been in effect since July 29, 1949.

Dated: September 14, 1954.

[SEAL] ROY W LENNARTSON,
Deputy Administrator
Marketing Services.

PRODUCT DESCRIPTION, STYLES, AND GRADES

AUTHORITY: §§ 52.1191 to 52.1203 issued under sec. 205, 60 Stat. 1090; 7 U. S. C. 1624.

PRODUCT DESCRIPTION, STYLES, AND GRADES

§ 52.1191 *Product description.* Canned grapefruit juice is the undiluted, unconcentrated, unfermented juice obtained from mature fresh fruit of the grapefruit tree (Citrus paradisi) which fruit has been properly washed; is packed with or without the addition of a non-liquid nutritive sweetening ingredient or sweetening ingredients; and is sufficiently processed by heat to assure preservation of the product in hermetically sealed containers.

§ 52.1192 *Styles of canned grapefruit juice.* (a) Style I, Unsweetened (or natural juice)

(b) Style II, Sweetened (or with added sweetening ingredient) Canned grapefruit juice of this style shall have been processed with the addition of sufficient nutritive sweetening ingredient or sweetening ingredients to produce a Brix measurement of not less than 11.5°

§ 52.1193 *Grades of canned grapefruit juice.* (a) "U. S. Grade A" or "U. S. Fancy" is the quality of canned grapefruit juice that shows no coagulation; that possesses a very good color; that is practically free from defects; that possesses a very good flavor; and that scores not less than 85 points when scored in accordance with the scoring system outlined in this subpart.

(b) "U. S. Grade C" or "U. S. Standard" is the quality of canned grapefruit juice that may show slight coagulation; that possesses a good color; that is fairly free from defects; that possesses a good flavor; and that scores not less than 70 points when scored in accordance with the scoring system outlined in this subpart.

(c) "Substandard" is the quality of canned grapefruit juice that fails to meet the requirements of U. S. Grade C or U. S. Standard.

FILL OF CONTAINER

§ 52.1194 *Recommended fill of container* The recommended fill of container is not incorporated in the grades of the finished product since fill of container, as such, is not a factor of quality for the purposes of these grades. It is recommended that the container be as full of grapefruit juice as practicable and that the product occupy not less than 90 percent of the volume capacity of the container.

FACTORS OF QUALITY

§ 52.1195 *Ascertaining the grade*—(a) *General.* The grade of canned grapefruit juice is ascertained by considering the factor of quality which is not scored and the factors of quality which are scored as follows:

(1) *Factor which is not scored.* (i) Degree of coagulation.

(2) *Factors which are scored.* The relative importance of each factor which is scored is expressed numerically on the scale of 100. The maximum number of points that may be given such factors are:

	Points
(i) Color	20
(ii) Absence of defects	40
(iii) Flavor	40
Total score	100

§ 52.1196 *Ascertaining the rating for the factors which are scored.* The essential variations within each factor which is scored are so described that the value may be ascertained for each factor and expressed numerically. The numerical range within each factor which is scored is inclusive (for example, "17 to 20 points" means 17, 18, 19, or 20 points)

§ 52.1197 *Color*—(a) *(A) classification.* Canned grapefruit juice that possesses a very good color may be given a score of 17 to 20 points. "Very good color" means:

(1) In the case of canned grapefruit juice prepared from white-fleshed grapefruit that the color is bright and typical of juice freshly extracted from white-fleshed grapefruit and is free from browning due to scorching, oxidation, caramelization, or other causes; and

(2) In the case of canned grapefruit juice prepared from pink-fleshed grapefruit, that the color is bright and typical of juice freshly extracted from fairly deep-pink-fleshed grapefruit, is free from browning due to scorching, oxidation, caramelization, or other causes, and is so distinctive in color as to distinguish it clearly from canned grapefruit juice prepared from a mixture of white-fleshed grapefruit and pink-fleshed grapefruit or from light colored pink-fleshed grapefruit the juice of which is so light in color that it cannot be distinguished from such a mixture.

(b) *(C) classification.* If the canned grapefruit juice possesses a good color, a score of 14 to 16 points may be given. Canned grapefruit juice that falls into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule) "Good color" means:

(1) In the case of canned grapefruit juice prepared from white-fleshed grapefruit, that the color is fairly typical of juice extracted from white-fleshed grapefruit and may be dull or show evidence of slight browning, but is not off color; and

(2) In the case of canned grapefruit juice prepared from pink-fleshed grapefruit and mixtures of white-fleshed grapefruit and pink-fleshed grapefruit that the color is fairly typical of juice extracted from pink-fleshed grapefruit or mixtures of white-fleshed grapefruit and pink-fleshed grapefruit and may be dull or show evidence of slight browning but is not off color.

(c) *(SStd) classification.* Canned grapefruit juice that for any reason fails to meet the requirements of paragraph (b) of this section may be given a score of 0 to 13 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule)

§ 52.1198 *Absence of defects*—(a) *General.* The factor of absence of defects refers to the degree of freedom from free and suspended pulp, recoverable oil, seeds and seed particles, and other defects.

(1) "Free and suspended pulp" means particles of membrane, core, skin, and other similar extraneous material in canned grapefruit juice.

(b) *(A) classification.* Canned grapefruit juice that is practically free from defects may be given a score of 34 to 40 points. "Practically free from defects" means that the juice may contain not more than 10 percent free and suspended pulp; that there may be present not more than 0.015 percent by volume of recoverable oil; and that the juice does not contain seeds or seed particles or other defects that affect more than slightly the appearance of the product.

(c) *(C) classification.* If the canned grapefruit juice is fairly free from defects, a score of 28 to 33 points may be given. Canned grapefruit juice that falls into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule) "Fairly free from defects" means that the juice may contain not more than 15 percent free and suspended pulp; that there may be present not more than 0.020 percent by volume of recoverable oil; and that the juice does not contain seeds or seed particles or other defects that affect materially the appearance of the product.

(d) *(SStd) classification.* Canned grapefruit juice that fails to meet the requirements of paragraph (c) of this section may be given a score of 0 to 27 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule)

§ 52.1199 *Flavor*—(a) *(A) classification.* Canned grapefruit juice that possesses a very good flavor may be given a score of 34 to 40 points. "Very good flavor" means a fine, distinct canned grapefruit juice flavor which is free from off flavors of any kind and meets the

following requirements for the respective style:

(1) *Style I, Unsweetened (or natural juice)*

(i) Brix: Not less than 9.0°.
(ii) Acid: Not less than 0.85 gram nor more than 2.00 grams per 100 ml. of juice; and
(iii) Brix-acid ratio: Not less than 8 to 1 nor more than 14 to 1: *Provided,* That—
(*a*) When the juice has a Brix of 9.5° or more, the Brix-acid ratio may not be less than 7.5 to 1; or
(*b*) When the juice has a Brix of 10.5° or more, the Brix-acid ratio may not be less than 7 to 1.

(2) *Style II, Sweetened (or with added sweetening ingredient)*

(i) Brix: Not less than 11.5°.
(ii) Acid: Not less than 0.85 gram nor more than 2.00 grams per 100 ml. of juice; and
(iii) Brix-acid ratio: Not less than 9 to 1 nor more than 14 to 1: *Provided,* That when the Brix is 15° or more, the Brix-acid ratio may be less than 9 to 1.

(b) (*C*) *classification.* If the canned grapefruit juice possesses a good flavor, a score of 28 to 33 points may be given. Canned grapefruit juice that falls into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule) "Good flavor" means a good, normal canned grapefruit juice flavor which is free from off flavors of any kind and meets the following requirements for the respective style:

(1) *Style I, Unsweetened (or natural juice)*

(i) Brix: Not less than 9.0°.
(ii) Acid: Not less than 0.75 gram per 100 ml. of juice; and
(iii) Brix-acid ratio: Not less than 7 to 1.

(2) *Style II, Sweetened (or with added sweetening ingredient)*

(i) Brix: Not less than 11.5°.
(ii) Acid: Not less than 0.85 gram per 100 ml. of juice; and
(iii) Brix-acid ratio: Not less than 9 to 1: *Provided,* That when the Brix is 15° or more, the Brix-acid ratio may be less than 9 to 1.

(c) (*SStd*) *classification.* Canned grapefruit juice that fails to meet the requirements of paragraph (b) of this section, or is off-flavor for any reason, may be given a score of 0 to 27 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule)

EXPLANATIONS AND METHODS OF ANALYSES

§ 52.1200 *Definitions of terms.* (a) "Brix" means the degrees Brix of canned grapefruit juice when tested with a Brix hydrometer calibrated at 20 degrees C. (68 degrees F.) If used in testing juice at a temperature other than 20 degrees C. (68 degrees F.) the applicable temperature correction shall be made to the reading of the scale as prescribed in the "Official Methods of Analysis of the Association of Official Agricultural Chemists." The degrees Brix of canned grapefruit juice may be determined by any other method which gives equivalent results.

(b) "Acid" means grams of acid (calculated as anhydrous citric acid) per 100 ml. of juice in canned grapefruit juice determined by titration with standard sodium hydroxide solution using phenolphthalein indicator.

§ 52.1201 *Explanation of analyses.* (a) "Free and suspended pulp" is determined by the following method:

(1) Graduated centrifuge tubes with a capacity of 50 ml. are filled with juice and placed in a suitable centrifuge. The speed is adjusted, according to diameter, as indicated in Table No. I, and the juice is centrifuged for exactly 10 minutes. As used in this subparagraph, "diameter" means the over-all distance between the bottoms of opposing centrifuge tubes in operating position. After centrifuging, the milliliter reading at the top of the layer of pulp in the tube is multiplied by 2 to give the percentage of pulp.

TABLE No. I

Diameter (inches)	*Approximate revolutions per minute*
10	1,609
10½	1,570
11	1,534
11½	1,500
12	1,468
12½	1,438
13	1,410
13½	1,384
14	1,359
14½	1,336
15	1,313
15½	1,292
16	1,271
16½	1,252
17	1,234
17½	1,216
18	1,199
18½	1,182
19	1,167
19½	1,152
20	1,137

(b) "Recoverable oil" in canned grapefruit juice is determined by the following method:

(1) *Equipment.* Oil separatory trap similar to either of those illustrated in Figure 1 or Figure 2.[2]

Gas burner or hot plate.
Ringstand and clamps.
Rubber tubing.
3-liter narrow-neck flask.

(2) *Procedure.* (i) Exactly 2 liters of juice are placed in a 3-liter flask. Close the stopcock, place distilled water in the graduated tube, run cold water through the condenser from bottom to top, and bring the juice to a boil. Boiling is continued for one hour at the rate of approximately 50 drops per minute. By means of the stopcock, lower the oil into the graduated portion of the separatory trap, remove the trap from the flask, allow it to cool, and record the amount of oil recovered.

(ii) The number of milliliters of oil recovered divided by 20 equals the percent by volume of recoverable oil.

LOT CERTIFICATION TOLERANCES

§ 52.1202 *Tolerances for certification of officially drawn samples.* (a) When certifying samples that have been officially drawn and which represent a specific lot of canned grapefruit juice the grade for such lot will be determined by averaging the total scores of the containers comprising the sample, if, (1) all containers comprising the sample meet all applicable standards of quality promulgated under the Federal Food, Drug, and Cosmetic Act and in effect at the time of the aforesaid certification; and (2) with respect to those factors which are scored:

(i) Not more than one-sixth of the containers fails to meet the grade indicated by the average of such total scores;

(ii) None of the containers falls more than 4 points below the minimum score for the grade indicated by the average of such total scores;

(iii) None of the containers falls more than one grade below the grade indicated by the average of such total scores; and

(iv) The average score of all containers for any factor subject to a limiting rule is within the score range of that factor for the grade indicated by the average of the total scores of the containers comprising the sample.

SCORE SHEET

§ 52.1203 *Score sheet for canned grapefruit juice.*

Size and kind of container	
Container mark or identification { Cans / Cases	
Label (including ingredient statement, if any)	
Liquid measure (fluid ounces)	
Vacuum (inches)	
Style	
Brix (degrees)	
Acid (grams/100 ml.; calculated as anhydrous citric acid)	
Brix-acid ratio (: 1)	
Pulp (free and suspended) (%)	
Recoverable oil (% by volume)	
Degree of coagulation { ( ) None ( ) Slight ( ) Serious	

Scoring factors		Score points	
Color	20	(A)	17-20
		(C)[1]	14-16
		(SStd)[1]	0-13
Absence of defects	40	(A)	34-40
		(C)[1]	23-33
		(SStd)[1]	0-27
Flavor	40	(A)	34-40
		(C)[1]	23-33
		(SStd)[1]	0-27
Total score	100		
Grade			

[1] Indicates limiting rule.

[F. R. Doc. 54-7329; Filed, Sept. 17, 1954; 8:47 a. m.]

PART 52—PROCESSED FRUITS AND VEGETABLES, PROCESSED PRODUCTS THEREOF, AND CERTAIN OTHER PROCESSED FOOD PRODUCTS

SUBPART—U. S. STANDARDS FOR GRADES OF CANNED BLENDED GRAPEFRUIT JUICE AND ORANGE JUICE[1]

On July 3, 1954, a notice of proposed rule making was published in the FEDERAL REGISTER (19 F. R. 4083) regarding a proposed revision of the United States Standards for Grades of Canned Blended

[2] Filed as part of original document.

[1] Compliance with the requirements of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act, or with applicable State laws and regulations.

Grapefruit Juice and Orange Juice (§§ 52.1281 to 52.1292)

After consideration of all relevant matters presented, including the proposal set forth in the aforesaid notice, the following United States Standards for Grades of Canned Blended Grapefruit Juice and Orange Juice are hereby promulgated under the authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087 et seq., 7 U. S. C. 1621 et seq.)

The proposed revision of the United States Standards for Grades of Canned Blended Grapefruit Juice and Orange Juice which were contained in the aforesaid notice are hereby adopted in the form in which such standards appeared in said notice and are hereby incorporated herein by this reference except for the following changes:

1. In the table of contents, in the second line following 52.1292, change the spelling of the first part-word to "ficially"

2. Footnote 1. Insert at the beginning of this footnote, the words "Compliance with"

3. Section 52.1281, line 12: Insert the word "non-liquid" immediately preceding the word "nutritive"

4. Section 52.1285, (a) (2) line 2: At the end of the line insert the words "is scored"

5. Section 52.1289, (a) (1) (iii) Change this subdivision to read:

(iii) Brix-acid ratio: Not less than 9 to 1 nor more than 17 to 1. *Provided,* That when the juice has a Brix of 11.5° or more, the Brix-acid ratio may be not less than 8 to 1.

6. Section 52.1289, (b) (1) (iii) line 2: Change the period after the word *"Provided"* to a comma.

7. Section 52.1289, (c) line 5: Delete the word "unpalatable" and substitute "off-flavor"

The United States Standards for Grades of Canned Blended Grapefruit Juice and Orange Juice (which is the fifth issue) contained in this subpart shall become effective 30 days after the date of publication hereof in the FEDERAL REGISTER, and thereupon will supersede the United States Standards for Grades of Canned Blended Grapefruit Juice and Orange Juice (§§ 52.1281 to 52.1292) which have been in effect since July 29, 1949.

Dated: September 14, 1954.

[SEAL] ROY W LENNARTSON,
Deputy Administrator
Marketing Services.

PRODUCT DESCRIPTION, STYLES, AND GRADES

Sec.
52.1281 Product description.
52.1282 Styles of canned blended grapefruit juice and orange juice.
52.1283 Grades of canned blended grapefruit juice and orange juice.

FILL OF CONTAINER

52.1284 Recommended fill of container.

FACTORS OF QUALITY

52.1285 Ascertaining the grade.
52.1286 Ascertaining the rating for the factors which are scored.
52.1287 Color.
52.1288 Absence of defects.
52.1289 Flavor.

EXPLANATIONS AND METHODS OF ANALYSES

Sec.
52.1290 Definitions of terms.
52.1291 Explanation of analyses.

LOT CERTIFICATION TOLERANCES

52.1292 Tolerances for certification of officially drawn samples.

SCORE SHEET

52.1293 Score sheet for canned blended grapefruit juice and orange juice.

AUTHORITY: §§ 52.1281 to 52.1293 issued under sec. 205, 60 Stat. 1090; 7 U. S. C. 1624.

PRODUCT DESCRIPTION, STYLES, AND GRADES

§ 52.1281 *Product description.* (a) Canned blended grapefruit juice and orange juice is the product prepared from a combination of undiluted, unconcentrated, unfermented juices obtained from the mature fresh fruit of the grapefruit tree (Citrus paradisi) and the sweet orange group (Citrus sinensis) and Mandarin group (Citrus reticulata) except tangerines, which fruit has been properly washed; is packed with or without the addition of a non-liquid nutritive sweetening ingredient or sweetening ingredients; and is sufficiently processed by heat to assure preservation of the product in hermetically-sealed containers.

(b) It is recommended that canned blended grapefruit juice and orange juice be composed of not less than 50 percent orange juice; however, in oranges yielding light-colored juice it is further recommended that as much as 75 percent orange juice be used.

§ 52.1282 *Styles of canned blended grapefruit juice and orange juice.* (a) Style I, Unsweetened (or natural juice)

(b) Style II, Sweetened (or with added sweetening ingredient) Canned blended grapefruit juice and orange juice of this style shall have been processed with the addition of sufficient nutritive sweetening ingredient or sweetening ingredients to produce a Brix measurement of not less than 11.5°

§ 52.1283 *Grades of canned blended grapefruit juice and orange juice.* (a) "U. S. Grade A" or "U. S. Fancy" is the quality of canned blended grapefruit juice and orange juice that shows no coagulation; that possesses a very good color; that is practically free from defects; that possesses a very good flavor; and that scores not less than 85 points when scored in accordance with the scoring system outlined in this subpart.

(b) "U. S. Grade C" or "U. S. Standard" is the quality of canned blended grapefruit juice and orange juice that may show slight coagulation; that possesses a good color; that is fairly free from defects; that possesses a good flavor; and that scores not less than 70 points when scored in accordance with the scoring system outlined in this subpart.

(c) "Substandard" is the quality of canned blended grapefruit juice and orange juice that fails to meet the requirements of U. S. Grade C or U. S. Standard.

FILL OF CONTAINER

§ 52.1284 *Recommended fill of container.* The recommended fill of container is not incorporated in the grades of the finished product since fill of container, as such, is not a factor of quality for the purposes of these grades. It is recommended that the container be as full of blended grapefruit juice and orange juice as practicable and that the product occupy not less than 90 percent of the volume capacity of the container.

FACTORS OF QUALITY

§ 52.1285 *Ascertaining the grade—*(a) *General.* The grade of canned blended grapefruit juice and orange juice is ascertained by considering the factor of quality which is not scored and the factors of quality which are scored as follows:

(1) *Factor which is not scored.* (i) Degree of coagulation.

(2) *Factors which are scored.* The relative importance of each factor which is scored is expressed numerically on the scale of 100. The maximum number of points that may be given such factors are:

	Points
(i) Color	20
(ii) Absence of defects	40
(iii) Flavor	40
Total score	100

§ 52.1286 *Ascertaining the rating for the factors which are scored.* The essential variations within each factor which is scored are so described that the value may be ascertained for each factor and expressed numerically. The numerical range within each factor which is scored is inclusive (for example, "17 to 20 points" means 17, 18, 19, or 20 points)

§ 52.1287 *Color—*(a) *(A) classification.* Canned blended grapefruit juice and orange juice that possesses a very good color may be given a score of 17 to 20 points. "Very good color" means that the blended juice possesses a light yellow-orange color that is bright and typical of freshly extracted juice and is free from browning due to scorching, oxidation, caramelization, or other causes.

(b) *(C) classification.* If the canned blended grapefruit juice and orange juice possesses a good color, a score of 14 to 16 points may be given. Canned blended juice that falls into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule) "Good color" means that the blended juice possesses a fairly typical color that may range from light yellow to light amber, may be dull or show evidence of slight browning, but is not off color.

(c) *(SStd) classification.* Canned blended grapefruit juice and orange juice that for any reason fails to meet the requirements of paragraph (b) of this section may be given a score of 0 to 13 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule)

§ 52.1288 *Absence of defects—*(a) *General.* The factor of absence of defects refers to the degree of freedom from free and suspended pulp, recoverable oil, seeds and seed particles, and other defects.

(1) "Free and suspended pulp" means particles of membrane, core, skin, and other similar extraneous material in canned blended juice.

(b) *(A) classification.* Canned blended grapefruit juice and orange juice that is practically free from defects may be given a score of 34 to 40 points. "Practically free from defects" means that the juice may contain not more than 12 percent free and suspended pulp; that there may be present not more than 0.030 percent by volume of recoverable oil; and that the juice does not contain seeds or seed particles or other defects that affect more than slightly the appearance of the product.

(c) *(C) classification.* If the canned blended grapefruit juice and orange juice is fairly free from defects, a score of 28 to 33 points may be given. Canned blended juice that falls into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule) "Fairly free from defects" means that the juice may contain not more than 18 percent free and suspended pulp; that there may be present not more than 0.050 percent by volume of recoverable oil; and that the juice does not contain seeds or seed particles or other defects that affect materially the appearance of the product.

(d) *(SStd) classification.* Canned blended grapefruit juice and orange juice that fails to meet the requirements of paragraph (c) of this section may be given a score of 0 to 27 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule)

§ 52.1289 *Flavor*—(a) *(A) classification.* Canned blended grapefruit juice and orange juice that possesses a very good flavor may be given a score of 34 to 40 points. "Very good flavor" means a fine, distinct canned blended grapefruit juice and orange juice flavor which is free from off flavors of any kind and meets the following requirements for the respective style:

(1) *Style I, Unsweetened (or natural juice)*

(i) Brix: Not less than 10.0 degrees;
(ii) Acid: Not less than 0.80 gram nor more than 1.70 grams per 100 ml. of juice; and
(iii) Brix-acid ratio: Not less than 9 to 1 nor more than 17 to 1: *Provided,* That when the juice has a Brix of 11.5° or more, the Brix-acid ratio may be not less than 8 to 1.

(2) *Style II, Sweetened (or with added sweetening ingredient)*

(i) Brix: Not less than 11.5°.
(ii) Acid: Not less than 0.80 gram nor more than 1.70 grams per 100 ml. of juice; and
(iii) Brix-acid ratio: Not less than 10 to 1 nor more than 17 to 1. *Provided,* That when the Brix is 15° or more, the Brix-acid ratio may be less than 10 to 1.

(b) *(C) classification.* If the canned blended grapefruit juice and orange juice possesses a good flavor, a score of 28 to 33 points may be given. Canned blended juice that falls into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule) "Good flavor" means a good, normal canned blended grapefruit juice and orange juice flavor which is free from off flavors of any kind and meets the following requirements for the respective style:

(1) *Style I, Unsweetened (or natural juice)*

(i) Brix: Not less than 9.5 degrees;
(ii) Acid: Not less than 0.65 gram nor more than 1.80 grams per 100 ml. of juice; and
(iii) Brix-acid ratio: Not less than 7.5 to 1.

(2) *Style II, Sweetened (or with added sweetening ingredient)*

(i) Brix: Not less than 11.5°.
(ii) Acid: Not less than 0.65 gram nor more than 1.80 grams per 100 ml. of juice; and
(iii) Brix-acid ratio: Not less than 10 to 1: *Provided.* That when the Brix is 15° or more, the Brix-acid ratio may be less than 10 to 1.

(c) *(SStd) classification.* Canned blended grapefruit juice and orange juice that fails to meet the requirements of paragraph (b) of this section, or is off-flavor for any reason, may be given a score of 0 to 27 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule)

EXPLANATIONS AND METHODS OF ANALYSES

§ 52.1290 *Definitions of terms.* (a) "Brix" means the degrees Brix of canned blended grapefruit juice and orange juice when tested with a Brix hydrometer calibrated at 20 degrees C. (68 degrees F.). If used in testing juice at a temperature other than 20 degrees C. (68 degrees F.) the applicable temperature correction shall be made to the reading of the scale as prescribed in the "Official Methods of Analysis of the Association of Official Agricultural Chemists." The degrees Brix of canned blended juice may be determined by any other method which gives equivalent results.

(b) "Acid" means grams of acid (calculated as anhydrous citric acid) per 100 ml. of juice in canned blended grapefruit juice and orange juice determined by titration with standard sodium hydroxide solution using phenolphthalein indicator.

§ 52.1291 *Explanation of analyses.* (a) "Free and suspended pulp" is determined by the following method:

(1) Graduated centrifuge tubes with a capacity of 50 ml. are filled with juice and placed in a suitable centrifuge. The speed is adjusted, according to diameter, as indicated in Table No. I, and the juice is centrifuged for exactly 10 minutes. As used in this subparagraph, "diameter" means the over-all distance between the bottoms of opposing centrifuge tubes in operating position. After centrifuging, the milliliter reading at the top of the layer of pulp in the tube is multiplied by 2 to give the percentage of pulp.

TABLE No. I

Diameter (inches)	*Approximate revolutions per minute*
10	1,600
10½	1,570
11	1,534
11½	1,500
12	1,468
12½	1,438
13	1,410
13½	1,384
14	1,359
14½	1,336
15	1,313
15½	1,292
16	1,271
16½	1,252
17	1,234
17½	1,216
18	1,199
18½	1,182
19	1,167
19½	1,152
20	1,137

(b) "Recoverable oil" in canned blended grapefruit juice and orange juice is determined by the following method:

(1) *Equipment.* Oil separatory trap similar to either of those illustrated in Figure 1 or Figure 2.[3]

Gas Burner or hot plate.
Ringstand and clamps.
Rubber tubing.
3-liter narrow-neck flask.

(2) *Procedure.* (i) Exactly 2 liters of juice are placed in a 3-liter flask. Close the stopcock, place distilled water in the graduated tube, run cold water through the condenser from bottom to top, and bring the juice to a boil. Boiling is continued for one hour at the rate of approximately 50 drops per minute. By means of the stopcock, lower the oil into the graduated portion of the separatory trap, remove the trap from the flask, allow it to cool, and record the amount of oil recovered.

(ii) The number of milliliters of oil recovered divided by 20 equals the percent by volume of recoverable oil.

LOT CERTIFICATION TOLERANCES

§ 52.1292 *Tolerances for certification of officially drawn samples.* (a) When certifying samples that have been officially drawn and which represent a specific lot of canned blended grapefruit juice and orange juice the grade for such lot will be determined by averaging the total scores of the containers comprising the sample, if, (1) all containers comprising the sample meet all applicable standards of quality promulgated under the Federal Food, Drug, and Cosmetic Act and in effect at the time of the aforesaid certification; and (2) with respect to those factors which are scored:

(i) Not more than one-sixth of the containers fails to meet the grade indicated by the average of such total scores;

(ii) None of the containers falls more than 4 points below the minimum score for the grade indicated by the average of such total scores;

(iii) None of the containers falls more than one grade below the grade indicated by the average of such total scores; and

(iv) The average score of all containers for any factor subject to a limiting rule is within the score range of that factor for the grade indicated by the

[3] Filed as part of original document.

average of the total scores of the containers comprising the sample.

SCORE SHEET

§ 52.1293 *Score sheet for canned blended grapefruit juice and orange juice.*

Size and kind of container			
Container mark or identification	Cans		
	Cases		
Label (including ingredient statement, if any)			
Liquid measure (fluid ounces)			
Vacuum (inches)			
Style			
Brix (degrees)			
Acid (grams/100 ml., calculated as anhydrous citric acid)			
Brix-acid ratio (. 1)			
Pulp (free and suspended) (%)			
Recoverable oil (% by volume)			
Degree of coagulation	( ) None ( ) Slight		
	( ) Serious		

Scoring factors	Score points		
Color	20	(A)	17–20
		(C)[1]	14–16
		(SStd)[1]	0–13
Absence of defects	40	(A)	34–40
		(C)[1]	28–33
		(SStd)[1]	0–27
Flavor	40	(A)	34–40
		(C)[1]	28–33
		(SStd)[1]	0–27
Total score	100		

Grade	

[1] Indicates limiting rule.

[F. R. Doc. 54–7322; Filed, Sept. 17, 1954; 8:47 a. m.]

PART 52—PROCESSED FRUITS AND VEGETABLES, PROCESSED PRODUCTS THEREOF, AND CERTAIN OTHER PROCESSED FOOD PRODUCTS

SUBPART—U. S. STANDARDS FOR GRADES OF CANNED ORANGE JUICE[1]

On July 3, 1954, a notice of proposed rule making was published in the FEDERAL REGISTER (19 F R. 4085) regarding a proposed revision of the United States Standards for Grades of Canned Orange Juice (§§ 52.1551 to 52.1562)

After consideration of all relevant matters presented, including the proposal set forth in the aforesaid notice, the following United States Standards for Grades of Canned Orange Juice are hereby promulgated under the authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087 et seq., 7 U. S. C. 1621 et seq.)

The proposed revision of the United States Standards for Grades of Canned Orange Juice which were contained in the aforesaid notice are hereby adopted in the form in which such standards appeared in said notice and are hereby incorporated herein by this reference except for the following changes:

1. Footnote 1. Insert at the beginning of this footnote, the words "Compliance with."

[1] Compliance with the requirements of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act, or with applicable State laws and regulations.

2. Section 52.1551, line 9: Insert the word "non-liquid" immediately preceding the word "nutritive."

3. Section 52.1559, (c), line 4. Delete the word "unpalatable" and substitute the word "off-flavor."

4. Section 52.1559, (a) (1) (ii) line 5. Change the figure "0.65" immediately preceding the word "gram" to "0.70."

5. Section 52.1559, (a) (2) (ii) line 5: Change the figure "0.65" immediately preceding the word "gram" to "0.70."

6. Section 52.1561, line 1. Change the spelling of the third word in the heading to "analyses."

The United States Standards for Grades of Canned Orange Juice (which is the sixth issue) contained in this subpart shall become effective 30 days after the date of publication hereof in the FEDERAL REGISTER, and thereupon will supersede the United States Standards for Grades of Cannned Orange Juice (§§ 52.1551 to 52.1562) which have been in effect since July 29, 1949.

Dated: September 14, 1954.

[SEAL] ROY W LENNARTSON,
Deputy Administrator
Marketing Services.

PRODUCT DESCRIPTION, STYLES, AND GRADES

Sec.
52.1551 Product description.
52.1552 Styles of canned orange juice.
52.1553 Grades of canned orange juice.

FILL OF CONTAINER

52.1554 Recommended fill of container.

FACTORS OF QUALITY

52.1555 Ascertaining the grade.
52.1556 Ascertaining the rating for the factors which are scored.
52.1557 Color.
52.1558 Absence of defects.
52.1559 Flavor.

EXPLANATIONS AND METHODS OF ANALYSES

52.1560 Definitions of terms.
52.1561 Explanation of analyses.

LOT CERTIFICATION TOLERANCES

52.1562 Tolerances for certification of officially drawn samples.

SCORE SHEET

52.1563 Score sheet for canned orange juice.

AUTHORITY: §§ 52.1551 to 52.1563 issued under sec. 205, 60 Stat. 1090; 7 U. S. C. 1624.

PRODUCT DESCRIPTION, STYLES, AND GRADES

§ 52.1551 *Product description.* Canned orange juice is the undiluted, unconcentrated, unfermented juice obtained from mature fresh fruit of the sweet orange group (Citrus sinensis) and Mandarin group (Citrus reticulata) except tangerines, which fruit has been properly washed; is packed with or without the addition of a non-liquid nutritive sweetening ingredient or sweetening ingredients; and is sufficiently processed by heat to assure preservation of the product in hermetically-sealed containers.

§ 52.1552 *Styles of canned orange juice.* (a) Style I, Unsweetened (or natural juice)

(b) Style II, Sweetened (or with added sweetening ingredient) Canned orange juice of this style shall have been processed with the addition of sufficient nutritive sweetening ingredient or sweetening ingredients to produce a Brix measurement of not less than 10.5° *Provided,* That, if the acidity of the canned orange juice is 0.90 gram or more per 100 ml. of juice, the Brix shall be not less than 11.5°

§ 52.1553 *Grades of canned orange juice.* (a) "U. S. Grade A" or "U. S. Fancy" is the quality of canned orange juice that shows no coagulation; that possesses a very good color; that is practically free from defects; that possesses a very good flavor; and that scores not less than 85 points when scored in accordance with the scoring system outlined in this subpart.

(b) "U. S. Grade C" or "U. S. Standard" is the quality of canned orange juice that may show slight coagulation; that possesses a good color that is fairly free from defects; that possesses a good flavor; and that scores not less than 70 points when scored in accordance with the scoring system outlined in this subpart.

(c) "Substandard" is the quality of canned orange juice that fails to meet the requirements of U. S. Grade C or U. S. Standard.

FILL OF CONTAINER

§ 52.1554 *Recommended fill of container* The recommended fill of container is not incorporated in the grades of the finished product since fill of container, as such, is not a factor of quality for the purposes of these grades. It is recommended that the container be as full of orange juice as practicable and that the product occupy not less than 90 percent of the volume capacity of the container.

FACTORS OF QUALITY

§ 52.1555 *Ascertaining the grade*—(a) *General.* The grade of canned orange juice is ascertained by considering the factor of quality which is not scored and the factors of quality which are scored as follows:

(1) *Factor which is not scored.* (i) Degree of coagulation.

(2) *Factors which are scored.* The relative importance of each factor which is scored is expressed numerically on the scale of 100. The maximum number of points that may be given such factors are:

	Points
(i) Color	20
(ii) Absence of defects	40
(iii) Flavor	40
Total score	100

§ 52.1556 *Ascertaining the rating for the factors which are scored.* The essential variations within each factor which is scored are so described that the value may be ascertained for each factor and expressed numerically. The numerical range within each factor which is scored is inclusive (for example, "17 to 20 points" means 17, 18, 19, or 20 points).

§ 52.1557 *Color*—(a) *(A) classification.* Canned orange juice that possesses a very good color may be given a score of 17 to 20 points. "Very good

color" means that the orange juice possesses a bright yellow to yellow-orange color typical of freshly extracted juice and is free from browning due to scorching, oxidation, caramelization, or other causes.

(b) *(C) classification.* If the canned orange juice possesses a good color, a score of 14 to 16 points may be given. Canned orange juice that falls into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule) "Good color" means that the orange juice may be slightly amber or very light in color but is typical of canned orange juice and may show evidence of slight browning, but is not off-color.

(c) *(SStd) classification.* Canned orange juice that for any reason fails to meet the requirements of paragraph (b) of this section may be given a score of 0 to 13 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule).

§ 52.1558 *Absence of defects*—(a) *General.* The factor of absence of defects refers to the degree of freedom from recoverable oil; from particles of membrane, core, or skin; from seeds or seed particles; and from other defects.

(b) *(A) classification.* Canned orange juice that is practically free from defects may be given a score of 34 to 40 points. "Practically free from defects" means that there may be present not more than 0.030 percent by volume of recoverable oil and that the juice does not contain particles of membrane, core, or skin, seeds or seed particles, or other defects that affect more than slightly the appearance of the product.

(c) *(C) classification.* If the canned orange juice is fairly free from defects, a score of 28 to 33 points may be given. Canned orange juice that falls into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule) "Fairly free from defects" means that there may be present not more than 0.050 percent by volume of recoverable oil and that the juice does not contain particles of membrane, core, or skin, seed or seed particles, or other defects that affect materially the appearance of the product.

(d) *(SStd) classification.* Canned orange juice that fails to meet the requirements of paragraph (c) of this section may be given a score of 0 to 27 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule)

§ 52.1559 *Flavor*—(a) *(A) classification.* Canned orange juice that possesses a very good flavor may be given a score of 34 to 40 points. "Very good flavor" means a fine, distinct canned orange juice flavor which is free from traces of scorching, caramelization, oxidation, or terpene; is free from off flavors of any kind; and meets the following requirements for the respective style:

(1) *Style I, Unsweetened (or natural juice).*

(i) Brix: Not less than 10.5°.

(ii) Acid: Not less than 0.75 gram nor more than 1.45 grams per 100 ml. of juice: *Provided,* That when the canned orange juice has a color that scores 19 or 20 points, the acidity may be not less than 0.70 gram per 100 ml. of juice; and

(iii) Brix-acid ratio: Not less than 9 to 1 nor more than 18 to 1.

(2) *Style II, Sweetened (or with added sweetening ingredient).*

(i) Brix: Not less than 10.5°. *Provided,* That, if the acidity is 0.90 gram or more per 100 ml. of juice, the Brix shall be not less than 11.5°

(ii) Acid: Not less than 0.75 gram nor more than 1.45 grams per 100 ml. of juice: *Provided,* That when the canned orange juice has a color that scores 19 or 20 points, the acidity may be not less than 0.70 gram per 100 ml. of juice; and

(iii) Brix-acid ratio: Not less than 11 to 1 if the Brix is 12.5° or more; not less than 12 to 1 if the Brix is less than 12.5° and not more than 18 to 1: *Provided,* That when the Brix is 15° or more, the Brix-acid ratio may be less than 11 to 1.

(b) *(C) classification.* If the canned orange juice possesses a good flavor, a score of 28 to 33 points may be given. Canned orange juice that falls into this classification shall not be graded above U. S. Grade C or U. S. Standard, regardless of the total score for the product (this is a limiting rule) "Good flavor" means a good, normal canned orange juice flavor which may have a slightly caramelized or slightly oxidized flavor but is free from off flavors of any kind and meets the following requirements for the respective style:

(1) *Style I. Unsweetened (or natural juice)*

(i) Brix: Not less than 10.0°.

(ii) Acid: Not less than 0.55 gram nor more than 1.00 grams per 100 ml. of juice; and

(iii) Brix-acid ratio: Not less than 8.5 to 1.

(2) *Style II. Sweetened (or with added sweetening ingredient)*

(i) Brix: Not less than 10.5°. *Provided,* That if the acidity is 0.90 gram or more per 100 ml. of juice, the Brix shall be not less than 11.5°

(ii) Acid: Not less than 0.65 gram nor more than 1.05 grams per 100 ml. of juice; and

(iii) Brix-acid ratio: Not less than 11 to 1 if the Brix is 12.5° or more; not less than 12 to 1 if the Brix is less than 12.5°. *Provided,* That when the Brix is 15° or more, the Brix-acid ratio may be less than 11 to 1.

(c) *(SStd) Classification.* Canned orange juice that fails to meet the requirements of paragraph (b) of this section, or is off flavor for any reason, may be given a score of 0 to 27 points and shall not be graded above Substandard, regardless of the total score for the product (this is a limiting rule).

EXPLANATIONS AND METHODS OF ANALYSES

§ 52.1560 *Definitions of terms.* (a) "Brix" means the degrees Brix of canned orange juice when tested with a Brix hydrometer calibrated at 20 degrees C. (68 degrees F.). If used in testing juice at a temperature other than 20 degrees C. (68 degrees F.) the applicable temperature correction shall be made to the reading of the scale as prescribed in the "Official Methods of Analysis of the Association of Official Agricultural Chemists." The degrees Brix of canned orange juice may be determined by any other method which gives equivalent results.

(b) "Acid" means grams of acid (calculated as anhydrous citric acid) per 100 ml. of juice in canned orange juice determined by titration with standard sodium hydroxide solution using phenolphthalein indicator.

§ 52.1561 *Explanation of analyses.* (a) "Recoverable oil" in canned orange juice is determined by the following method:

(1) *Equipment.* Oil separatory trap similar to either of those illustrated in Figure 1 or Figure 2.[2]

Gas burner or hot plate.
Ringstand and clamps.
Rubber tubing.
3-liter narrow-neck flask.

(2) *Procedure.* (i) Exactly 2 liters of juice are placed in a 3-liter flask. Close the stopcock, place distilled water in the graduated tube, run cold water through the condenser from bottom to top, and bring the juice to a boil. Boiling is continued for one hour at the rate of approximately 50 drops per minute. By means of the stopcock, lower the oil into the graduated portion of the separatory trap, remove the trap from the flask, allow it to cool, and record the amount of oil recovered.

(ii) The number of milliliters of oil recovered divided by 20 equals the percent by volume of recoverable oil.

LOT CERTIFICATION TOLERANCES

§ 52.1562 *Tolerances for certification of officially drawn samples.* (a) When certifying samples that have been officially drawn and which represent a specific lot of canned orange juice the grade for such lot will be determined by averaging the total scores of the containers comprising the sample, if, (1) all containers comprising the sample meet all applicable standards of quality promulgated under the Federal Food, Drug, and Cosmetic Act and in effect at the time of the aforesaid certification; and (2) with respect to those factors which are scored:

(i) Not more than one-sixth of the containers fails to meet the grade indicated by the average of such total scores;

(ii) None of the containers falls more than 4 points below the minimum score for the grade indicated by the average of such total scores;

(iii) None of the containers falls more than one grade below the grade indicated by the average of such total scores; and

(iv) The average score of all containers for any factor subject to a limiting rule is within the score range of that factor for the grade indicated by the average of the total scores of the containers comprising the sample.

[2] Filed as part of original document.

SCORE SHEET

§ 52.1563 *Score sheet for canned orange juice.*

Size and kind of container			
Container mark or identification	Cans		
	Cases		
Label (including ingredient statement, if any)			
Liquid measure (fluid ounces)			
Vacuum (inches)			
Style			
Brix (degrees)			
Acid (grams/100 ml., calculated as anhydrous citric acid)			
Brix-acid ratio (1)			
Recoverable oil (% by volume)			
Degree of coagulation	( ) None ( ) Slight ( ) Serious		

Scoring factors	Score points		
Color	20	(A)	17–20
		(C)[1]	14–16
		(SStd)[1]	0–13
Absence of defects	40	(A)	34–40
		(C)[1]	28–33
		(SStd)[1]	0–27
Flavor	40	(A)	34–40
		(C)[1]	28–33
		(SStd)[1]	0–27
Total score	100		

Grade	

[1] Indicates limiting rule.

[F. R. Doc. 54–7321; Filed, Sept. 17, 1954; 8:47 a. m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Valencia Orange Reg. 22]

PART 922—VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

LIMITATION OF HANDLING

§ 922.322 *Valencia Orange Regulation 22*—(a) *Findings.* (1) Pursuant to Order No. 22 (19 F R. 1741) regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective March 31, 1954, under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and upon the basis of the recommendation and information submitted by the Valencia Orange Administrative Committee, established under the said order, and upon other available information, it is hereby found that the limitation of handling of such Valencia oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The Valencia Orange Administrative Committee held an open meeting on September 16, 1954 after giving due notice thereof, to consider supply and market conditions for Valencia oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein was promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Valencia oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed on or before the effective date hereof.

(b) *Order* (1) The quantity of Valencia oranges grown in Arizona and designated part of California which may be handled during the period beginning at 12:01 a. m., P. s. t., September 19, 1954, and ending at 12:01 a. m., P. s. t., September 26, 1954, is hereby fixed as follows:

(i) District 1. Unlimited movement;

(ii) District 2: 450,450 carloads;

(iii) District 3: Unlimited movement.

(2) Valencia oranges handled pursuant to the provisions of this section shall be subject to any size restrictions applicable thereto which have heretofore been issued on the handling of such oranges and which are effective during the period specified herein.

(3) As used in this section, "handled," "handler," "boxes," "District 1," "District 2," and "District 3," shall have the same meaning as when used in said order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: September 17, 1954.

[SEAL] G. R. GRANGE,
Acting Director Fruit and Vegetable Division, Agricultural Marketing Service.

[F. R. Doc. 54–7416; Filed, Sept. 17, 1954; 11:37 a. m.]

[Orange Reg. 262]

PART 933—ORANGES, GRAPEFRUIT, AND TANGERINES GROWN IN FLORIDA

LIMITATION OF SHIPMENTS

§ 933.693 *Orange Regulation 262*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933) regulating the handling of oranges, grapefruit, and tangerines grown in the State of Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendations of the committee established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of all oranges, except Temple oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to affectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than September 20, 1954. Shipments of all oranges, except Temple oranges, grown in the State of Florida, are currently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order and will so continue until September 20, 1954, the recommendation and supporting information for continued regulation subsequent to September 19, 1954, was promptly submitted to the Department after an open meeting of the Growers Administrative Committee on September 14; such meeting was held to consider recommendations for regulation, after giving due notice of such meeting and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such oranges; it is necessary in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of all oranges, except Temple oranges; and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order* (1) During the period beginning at 12:01 a. m., e. s. t., September 20, 1954, and ending at 12:01 a. m., e. s. t., October 4, 1954, no handler shall ship:

(i) Any oranges, except Temple oranges, grown in the State of Florida, which do not grade at least U. S. No. 2; or

(ii) Any oranges, except Temple oranges grown in the State of Florida, which are of a size smaller than a size that will pack 288 oranges, packed in accordance with the requirements of a standard pack, in a standard nailed box.

(2) As used in this section, the terms "handler," "ship," and "Growers Administrative Committee" shall each have

the same meaning as when used in said amended marketing agreement and order; and the terms "U. S. No. 2," "standard pack," and "standard nailed box" shall have the same meaning as when used in the revised United States Standards for Florida oranges (§§ 51.1140 to 51.1186 of this title).

(Sec. 5, Stat. 753, as amended; 7 U. S. C. 608c)

Dated: September 16, 1954.

[SEAL] G. R. GRANGE,
Acting Director Fruit and Vegetable Division, Agricultural Marketing Service.

[F. R. Doc. 54-7374; Filed, Sept. 17, 1954; 8:52 a. m.]

[Grapefruit Reg. 203]

PART 933—ORANGES, GRAPEFRUIT, AND TANGERINES GROWN IN FLORIDA

LIMITATION OF SHIPMENTS

§ 933.694 *Grapefruit Regulation 203*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933) regulating the handling of oranges, grapefruit, and tangerines grown in the State of Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of grapefruit, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than September 20, 1954. Shipments of grapefruit, grown in the State of Florida, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order and will so continue until September 20, 1954; the recommendation and supporting information for continued regulation subsequent to September 19, 1954, was promptly submitted to the Department after an open meeting of the Growers Administrative Committee on September 14; such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such grapefruit; it is necessary, in order to effectuate the declared policy of the act, to make this regulation effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of grapefruit; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order* (1) During the period beginning at 12:01 a. m., e. s. t., September 20, 1954, and ending at 12:01 a. m., e. s. t., October 4, 1954, no handler shall ship:

(i) Any grapefruit, grown in the State of Florida, which do not grade at least U. S. No. 2;

(ii) Any white seeded grapefruit, grown in the State of Florida, which are of a size smaller than a size that will pack 70 grapefruit, packed in accordance with the requirements of a standard pack, in a standard nailed box;

(iii) Any white seedless grapefruit, grown in the State of Florida, which are of a size smaller than a size that will pack 96 grapefruit, packed in accordance with the requirements of a standard pack, in a standard nailed box;

(iv) Any pink seeded grapefruit, grown in the State of Florida, which are of a size smaller than a size that will pack 80 grapefruit, packed in accordance with the requirements of a standard pack, in a standard nailed box; or

(v) Any pink seedless grapefruit, grown in the State of Florida, which are of a size smaller than a size that will pack 96 grapefruit, packed in accordance with the requirements of a standard pack, in a standard nailed box.

(2) As used in this section "handler," "ship," and "Growers Administrative Committee," shall have the same meaning as when used in said amended marketing agreement and order; "U. S. No. 2," "standard pack," and "standard nailed box" shall have the same meaning as when used in the revised United States Standards for Florida Grapefruit (§§ 51.750 to 51.790 of this title).

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: September 16, 1954.

[SEAL] G. R. GRANGE,
Acting Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F. R. Doc. 54-7375; Filed, Sept. 17, 1954; 8:52 a. m.]

[Lemon Reg. 555]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

§ 953.662 *Lemon Regulation 555*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 18 F. R. 6767), regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of lemons, grown in the State of California or in the State of Arizona, are currently subject to regulation pursuant to said amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein was promptly submitted to the Department after an open meeting of the Lemon Administrative Committee on September 15, 1954, such meeting was held, after giving due notice thereof to consider recommendations for regulation, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time thereof.

(b) *Order.* (1) The quantity of lemons grown in the State of California or in the State of Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., September 19, 1954, and ending at 12:01 a. m., P. s. t., September 26, 1954, is hereby fixed as follows:

(i) District 1. Unlimited movement;

(ii) District 2: 275 carloads;

(iii) District 3: Unlimited movement.

(2) The prorate base of each handler who has made application therefor, as

provided in the said amended marketing agreement and order, is hereby fixed in accordance with the prorate base schedule which is set forth below and made a part of this section by this reference.

(3) As used in this section, "handled," "handler," "carloads," "prorate base," "District 1," "District 2," and "District 3" shall have the same meaning as when used in the said amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: September 16, 1954.

[SEAL] G. R. GRANGE,
Acting Director Fruit and Vegetable Division, Agricultural Marketing Service.

PRORATE BASE SCHEDULE

[Storage date: Sept. 12, 1954]

DISTRICT NO. 2

[12:01 a. m. Sept. 19, 1954, to 12:01 a. m. Oct. 3, 1954]

Handler	*Prorate base (percent)*
Total	100.000
American National Foods, Inc., Corona	.110
American National Foods, Inc., Fullerton	.146
American National Foods, Inc., Upland	149
Buenaventura Lemon Co	1.647
Consolidated Lemon & Orange Co	.809
Ventura Pacific Co	3.258
Chula Vista Mutual Lemon Association	.603
Euclid Lemon Association	795
Index Mutual Association	.125
La Verne Cooperative Citrus Association	1.145
Ventura Coastal Lemon Co	2.381
Ventura Processors	2.263
Glendora Lemon Growers Association	1.495
La Verne Lemon Association	.389
La Habra Citrus Association	482
Yorba Linda Citrus Association	.396
Escondido Lemon Association	2.166
Cucamonga Mesa Growers	.399
Etiwanda Citrus Fruit Association	.108
San Dimas Lemon Association	1.395
Upland Lemon Growers Association	3.247
Central Lemon Association	.575
Irvine Citrus Association, The	.525
Placentia Mutual Orange Association	.201
Corona Citrus Association	077
Corona Foothill Lemon Co	1.144
Jameson Co	.653
Arlington Heights Citrus Co	.475
College Heights Orange & Lemon Association	2.698
Chula Vista Citrus Association	.900
Escondido Cooperative Citrus Association	067
Fallbrook Citrus Association	1.344
Lemon Grove Association	.227
Carpinteria Lemon Association	3.382
Carpinteria Mutual Citrus Association	3.447
Goleta Lemon Association	5.859
Johnston Fruit Co	6.730
Briggs Lemon Association	2.942
Fillmore Lemon Association	1.675
Oxnard Citrus Association	7.541
Rancho Sespe	657
San Fernando Heights Lemon Association	.931
Santa Clara Lemon Association	5.229
Santa Paula Citrus Fruit Association	4.531

PRORATE BASE SCHEDULE—Continued

DISTRICT NO. 2—continued

Handler	*Prorate base (percent)*
Saticoy Lemon Association	5.384
Seaboard Lemon Association	6.405
Somis Lemon Association	4.236
Ventura Citrus Association	1.633
Ventura County Citrus Association	.256
Limoneira Co	3.745
Teague-McKevett Association	.930
East Whittier Citrus Association	.076
Murphy Ranch Co	.503
North Whittier Heights Citrus Association	.365
Sierra Madre-Lamanda Citrus Association	.167
Far West Produce Distributors	033
Paramount Citrus Association, Inc.	.895
Santa Rosa Lemon Co	.054

[F. R. Doc. 54-7398; Filed, Sept. 17, 1954; 8:53 a. m.]

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

[Reg. No. SR-386B]

PART 41—CERTIFICATION AND OPERATION RULES FOR SCHEDULED AIR CARRIER OPERATIONS OUTSIDE THE CONTINENTAL LIMITS OF THE UNITED STATES

SPECIAL CIVIL AIR REGULATION; FLIGHT TIME LIMITATIONS FOR PILOTS NOT REGULARLY ASSIGNED TO ONE TYPE OF CREW

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 14th day of September 1954.

Special Civil Air Regulation SR-386A, which terminates September 19, 1954, provides authority whereby a pilot may serve in more than one type of flight crew without incurring any penalty in terms of maximum permissive flight duty. This authority has heretofore been provided for an experimental period with a view to the establishment of permanent rules for such crew assignments.

The Civil Aeronautics Administration has advised the Board that the regulation is a desirable one and not subject to abuse, and that it recommends that the authority granted by SR-386A be continued. Since a proposed major revision of Part 41 of the Civil Air Regulations is being prepared for publication, the Board considers that it is advisable to extend the authority granted by SR-386A for another year rather than to incorporate this authority in currently effective Part 41. During the development of the revision of Part 41 further consideration and discussion will be given concerning the permanent incorporation of such a provision.

This regulation will not allow evasion of the stricter limitations applicable to smaller crew combinations, but will allow assignment of a pilot in any given month to another type of crew combination without additional flight time limitation if he flies not more than 20 hours in the type of crew to which the more restrictive flight time limitations apply and if such assignment is not interrupted more than once during such month.

Interested persons have been afforded an opportunity to participate in the making of this regulation, and due consideration has been given to all relevant matter presented. Since it imposes no additional burden on any person, this regulation may be made effective without prior notice.

In consideration of the foregoing, the Civil Aeronautics Board hereby makes and promulgates the following Special Civil Air Regulation, effective September 19, 1954.

1. Contrary provisions of § 41.57 of the Civil Air Regulations notwithstanding, the following rules shall apply to the monthly and quarterly flight time limitations of pilots assigned in combinations of two-pilot crews, two-pilot and additional flight crew member crews, or three-pilot and additional flight crew member crews.

2. A pilot who is assigned to duty aloft for more than 20 hours in two-pilot crews in a given month, or whose assignment in such crews is interrupted more than once in the month by assignment to a crew consisting of two or more pilots and an additional flight crew member, shall be governed by the provisions of § 41.54.

3. Except for a pilot coming within the provisions of paragraph 2, a pilot who is assigned to duty aloft for more than 20 hours in two-pilot and additional flight crew member crews in a given month, or whose assignment in such crews is interrupted more than once in the month by assignment to a crew consisting of three pilots and an additional flight crew member, shall be governed by the provisions of § 41.55.

4. A pilot to whom the provisions of paragraphs 2 and 3 are not applicable, assigned to duty aloft for a total of 20 hours or less within a given month in two-pilot crews with or without additional flight crew members, shall be governed by the provisions of § 41.56.

5. A pilot assigned to each of two-pilot, two-pilot and additional flight crew member, and three-pilot and additional flight crew member crews in a given month, who is not governed by the provisions of paragraphs 2, 3, or 4, shall be governed by the provisions of § 41.55.

This regulation shall supersede Special Civil Air Regulation No. SR-386A and shall terminate one year from its effective date, unless sooner superseded or rescinded by the Board.

(Sec. 205, 52 Stat. 984; 49 U. S. C. 425. Interpret or apply secs. 601, 602, 604, 52 Stat. 1007, 1008, 1010; 49 U. S. C. 551, 552, 554)

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 54-7350; Filed, Sept. 17, 1954; 8:53 a. m.]

TITLE 18—CONSERVATION OF POWER

Chapter I—Federal Power Commission

Subchapter B—Regulations Under the Federal Power Act

[Docket No. R-129; Order No. 172]

PART 11—ANNUAL CHARGES

EDITORIAL NOTE: For order staying F R. Doc. 54-3284, appearing at 19 F R. 2564, see F R. Doc. 54-6931, appearing at 19 F R. 5630.

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 53576]

PART 1—CUSTOMS DISTRICTS AND PORTS

FIELD ORGANIZATION

SEPTEMBER 10, 1954.

By virtue of the authority vested in the President by section 1 of the act of August 1, 1914, 38 Stat. 623 (19 U. S. C. 2) and delegated to the Secretary of the Treasury by the President by Executive Order No. 10289, of September 17, 1951 (16 F. R. 9499) the following changes in the field organization of the Bureau of Customs are hereby made, effective September 15, 1954.

1. The limits of the customs port of entry of Seattle, Washington, the headquarters port of Customs Collection District No. 30 (Washington), comprising the territory within the corporate limits of that city, are extended to include the following territory: Sections 1 to 6, inclusive, Township 22 N., R. 4 E., W M., Township 23 N., R. 4 E., W. M., and Sections 32 and 33, Township 24 N., R. 4 E., W M., King County, State of Washington.

2. The designation of South Bend, Washington, as a customs port of entry in Customs Collection District No. 30 (Washington) is hereby revoked, and a new customs port of entry to be known as "South Bend-Raymond, Washington" is hereby designated in said district, which shall include the territory within the corporate limits of South Bend and Raymond, Washington, and all points on the Willapa River lying between the corporate limits of such towns.

3. The limits of the customs port of entry of Port Huron, Michigan, in Customs Collection District No. 38 (Michigan) comprising the territory within the corporate limits of that city, are extended to include the territory embracing the municipality of Marysville, Michigan, and the Townships of Port Huron, Fort Gratiot, Kimball and St. Clair, in St. Clair County, State of Michigan.

Section 1.1 (c) Customs Regulations (19 CFR 1.1 (c)) is amended by inserting "(including territory described in T. D. 53576)" opposite "Seattle" in the column headed "Ports of entry" in District No. 30 (Washington) by substituting "South Bend-Raymond" for "South Bend" in the column headed "Ports of entry" in District No. 30 (Washington) and inserting "(T. D. 53576)" after such name; and by inserting "(including territory described in T. D. 53576)" opposite "Port Huron" in the column headed "Ports of entry" in District No. 38 (Michigan).

(R. S. 161, sec. 1, 37 Stat. 434, sec. 1, 38 Stat. 623, as amended; 5 U. S. C. 22, 19 U. S. C. 1, 2)

[SEAL] H. CHAPMAN ROSE,
Acting Secretary of the Treasury.

[F. R. Doc. 54-7339; Filed, Sept. 17, 1954; 8:51 a. m.]

[T. D. 53578]

PART 54—CERTAIN IMPORTATIONS FREE OF DUTY DURING THE WAR

ENTRY OF EFFECTS OF PERSONS IN SERVICE OF UNITED STATES AND EVACUEES TO THE UNITED STATES AND GIFTS FROM MEMBERS OF THE UNITED STATES ARMED FORCES

In the interest of simplification in the clearance through customs of effects of persons in the service of the United States or of their families or of persons evacuated to the United States when the effects are exempt from duty or tax under Public Law 633, approved June 27, 1942, as amended (50 U. S. C. App. 601), it is deemed advisable to amend the regulations to provide for the use of a new customs Form 6061 entitled "Declaration and Entry for Personal and Household Effects Under Public Law 633, approved June 27, 1942, as amended—Carrier's Certificate and Release," to enter the shipments, whether arriving by freight, express, or mail, when entry is made in the name of the person entitled to the benefits of the statute, and to require owners' travel orders to be attached to or identified on such entries when the orders are used to satisfy collectors that effects are brought into the United States pursuant to government orders or instructions.

It is also desirable to provide for the use of properly executed declarations as entries in clearing shipments of gifts from members of the United States armed forces on duty abroad under Public Law 790, approved December 5, 1942, as amended (50 U. S. C. App. 846).

Accordingly, § 54.2 (c) is amended by deleting the second and third sentences and substituting the following therefor: "Collectors of customs shall accord free entry under the statute upon the production of satisfactory proof that the articles are entitled to the benefit thereof. Customs Form 6061 may be used as a declaration and entry for articles granted exemption from duty and tax under the Act when entry is made in the name of the person who is entitled to the benefits of the statute. Such declaration and entry shall be supported by the owner's travel orders unless other evidence is furnished the collector which satisfies him that the effects were brought into the United States pursuant to government orders or instructions. If a collector accepts the owner's travel orders as evidence that the effects were brought into the United States pursuant to government orders or instructions, but a copy of such travel orders is not available for permanent filing with the declaration and entry, the owner's travel orders shall be identified on the entry, which shall be handled like a free baggage declaration. The inward foreign manifest covering a shipment entered on customs Form 6061 shall be liquidated by noting thereon 'Free on C.F. 6061, P. L. 633.'"

(Secs. 484, 498, 46 Stat. 722, as amended, 728, as amended, sec. 1, 56 Stat. 401; 19 U. S. C. 1484, 1498, 50 U. S. C. App. 601)

Section 54.3 (d) is hereby amended to read:

(d) The entry requirements prescribed in the Tariff Act of 1930, as amended, and the Customs Regulations are applicable to articles entitled to free entry under Public Law 790, approved December 5, 1942, as amended (50 U. S. C. App. 846). When any shipment is granted exemption from duty or tax under that act, the declaration of the donor and a duly designated officer of the armed forces required by paragraph (b) of this section may be treated as an entry therefor, to be supported by proper evidence of the right to make the entry. In such a case, except when affixed to the parcel in a manner which makes removal impracticable (see paragraph (c) of this section), the entry shall be handled like a free baggage declaration. The inward foreign manifest covering a shipment passed free under this procedure shall be liquidated by noting thereon "Free on declaration, P. L. 790."

(Sec. 498, 46 Stat. 728, as amended, sec. 1, 56 Stat. 1041, as amended; 19 U. S. C. 1498, 50 U. S. C. App. 846)

New customs Form 6061, prescribed for use herein, will be printed and available for distribution within approximately 90 days from the date of this decision. The form will be prepared in pads containing 100 copies and will not be salable. Collectors may obtain supplies thereof from the Section of Forms, Customs Information Exchange, 201 Varick Street, New York 14, New York.

[SEAL] RALPH KELLY,
Commissioner of Customs.

Approved: September 10, 1954.

H. CHAPMAN ROSE,
Acting Secretary of the Treasury.

[F. R. Doc. 54-7340; Filed, Sept. 17, 1954; 8:51 a. m.]

TITLE 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service, Department of the Treasury

Subchapter A—Income and Excess Profits Taxes

[Regs. 118; T. D. 6163]

PART 39—INCOME TAX: TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1951

PROVIDING FOR FILING OF FORMS 975 AND 976 WITH DISTRICT DIRECTORS OF INTERNAL REVENUE

In order to provide in Regulations 118 (26 CFR Part 39) that Form 975, relating to notice of intention to claim a deficiency dividend credit under section 506 of the Internal Revenue Code, and Form 976, relating to claim for deficiency dividends credit, or credit for refund under such section, shall be filed with the appropriate district director of internal revenue, such regulations are hereby amended as follows:

PARAGRAPH 1. Section 39.506-3 (d) is amended to read as follows:

§ 39.506-3 *Credit against unpaid deficiency.* * * *

(d) *Time and place of filing notification.* Within 30 days after the date of the closing agreement, or the date upon

which the decision of the Tax Court or judgment becomes final, as the case may be, the notification required by section 506 (c) (1) and this section shall be filed with the Commissioner of Internal Revenue, Washington 25, D. C., except that on and after November 1, 1954, such notification shall be filed with the district director of internal revenue for the district in which the corporation's income tax return is filed.

* * * * *

PAR. 2. Section 39.506–5 (d) is amended to read as follows:

§ 39.506–5 *Claim for deficiency dividends credit or credit or refund.* * * *

(d) *Time and place of filing claim.* Within 60 days after the date of the closing agreement, or the date upon which the decision of the Tax Court or judgment becomes final, as the case may be, the claim required by section 506 (d) and this section shall be filed with the Commissioner of Internal Revenue, Washington 25, D. C., except that on and after November 1, 1954, such claim shall be filed with the district director of internal revenue for the district in which the corporation's income tax return is filed.

PAR. 3. Section 39.506–7 (b) is amended as follows:

(A) By inserting immediately after the word "Commissioner" in the second sentence "or the district director of internal revenue (see § 39.506–3 (d))"

(B) By striking from the third sentence the words "by the Commissioner"

(C) By inserting immediately after the word "Commissioner" in the fifth sentence "or, after August 26, 1953, the district director of internal revenue"

As amended, § 39.506–7 (b) will read as follows:

§ 39.506–7 *Suspension of statute of limitations and stay of collection.* * * *

(b) *Stay of collection.* The Internal Revenue Code provides that, except in case of jeopardy, the collection of the established deficiency and all interest, additional amounts, and additions to the tax provided by law, is stayed for a period of 30 days subsequent to the final determination of the amount thereof. If within such 30-day period the corporation files with the Commissioner or the district director of internal revenue (see § 39.506–3 (d)) the prescribed notification of intention to seek the benefit of section 506, the collection of the established deficiency, to the extent of the amount of the credit specified by the corporation in such notification if not in excess of the amount allowable under section 506 (a) is, except in cases of jeopardy, stayed for a period of 60 days subsequent to the final determination of the amount thereof. The filing of a claim for a deficiency dividends credit under section 506 (d) effects a further stay of collection of that portion of the established deficiency covered by the claim if not in excess of the amount allowable under section 506 (a) until the date the claim is disallowed (in whole or in part) The Code further provides that where collection has been stayed as above indicated no distraint or proceeding in court shall be begun for the collection of the amount stayed during the period for which it is stayed. The Commissioner or, after August 26, 1953, the district director of internal revenue, notwithstanding the provisions of section 272 (b) may refrain from assessing the subchapter A deficiency (plus interest, additional amounts, and additions to the tax) until the claim for the deficiency dividends credit is disposed of. After such claim is allowed or rejected, either in whole or in part, the entire amount of the deficiency (plus interest, additional amounts, and additions to the tax) will be assessed, if not already assessed. The amount of the claim for the deficiency dividends credit to the extent allowed will be credited against the amount so assessed, and the remainder of the amount assessed will be collected in the usual manner.

Because this Treasury decision merely changes the designation of the official with whom certain documents must be filed it is found that it is unnecessary to issue such Treasury decision with notice and public procedure thereon under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of that Act.

(53 Stat. 32, 467; 26 U. S. C. 62, 3791)

[SEAL] O. GORDON DELK,
Acting Commissioner of Internal Revenue.

Approved: September 14, 1954.

M. B. FOLSOM,
Acting Secretary of the Treasury.

[F. R. Doc. 54–7342; Filed, Sept. 17, 1954; 8:52 a. m.]

Subchapter C—Miscellaneous Excise Taxes

[T. D. 6088; Regs. 28]

PART 176—DRAWBACK ON DISTILLED SPIRITS AND WINES

DECENTRALIZATION OF ASSESSMENT AND CLAIMS FUNCTIONS PERTAINING TO LIQUORS

Correction

In Federal Register Document 54–6199, appearing at page 5055 of the issue for August 11, 1954, the following changes should be made:

In amendatory paragraph (N) paragraphs (1) (2) and (5) should read as follows:

(1) By changing the comma following the phrase "Part 190 of this subchapter (Regulations 15) " in the first sentence of paragraph (a) to a period and striking the phrase "and an additional copy of such form shall be prepared in each case."

(2) By striking from the fifth sentence of paragraph (a) which begins, "The rectification tax" the reference "Part 190 of this subchapter (Regulations 15) "

(5) By striking from the second sentence of paragraph (c) which begins, "Such export" the reference "Regulations 15 (Part 190 of this chapter) "

[Regs. 3; T. D. 6102]

PART 182—INDUSTRIAL ALCOHOL

COMPLETELY DENATURED ALCOHOL FORMULAE NOS. 16, 17, 18, AND 19

The purposes of these amendments are as follows:

(1) To revoke Formulae Nos. 16 and 17 for completely denatured alcohol because of the discontinuance of manufacture of the denaturant ST–115; but to continue authorization for the preparation of denatured alcohol under those, as well as certain other, revoked formulae so far as is necessary to exhaust the existing supply of specified denaturants;

(2) To amend Formula No. 18 for completely denatured alcohol by decreasing the quantities of required denaturants so that the disagreeable residual odor of the product will be alleviated;

(3) To prescribe new Formula No. 19 for completely denatured alcohol using only denaturants which are also used for other commercial purposes;

(4) To revise the list, "Denaturants Authorized for Completely and Specially Denatured Alcohol"

Accordingly, the Appendix to Regulations 3, "Industrial Alcohol" (26 CFR Part 182; 7 F R. 1858) as amended, is hereby amended as follows:

PARAGRAPH 1. Completely Denatured Alcohol Formulae Nos. 16 and 17 are hereby revoked: *Provided,* That proprietors of denaturing plants may, after approval of the denaturants by authorized chemists, and without written application for the Commissioner's authorization, continue the use of existing supplies of CS–501, Dehydrol–O, or ST–115 in the preparation of Completey Denatured Alcohol Formulae Nos. 12, 14, and 15 (revoked by T. D. 5917), and Formulae Nos. 16 and 17, until such supplies of these discontinued denaturants are exhausted.

PAR. 2. Completely Denatured Alcohol Formula No. 18 is hereby amended to read as follows:

FORMULA NO. 18

To every 100 gallons of ethyl alcohol of not less than 160° proof add:
2.5 gallons of methyl isobutyl ketone.
0.125 gallon of Pyronate or a compound similar thereto.
0.5 gallon of acetaldol (hydroxy-butyraldehyde).
1.0 gallon of kerosene.

PAR. 3. The following formula is authorized for the manufacture of completely denatured alcohol:

FORMULA NO. 19

To every 100 gallons of ethyl alcohol of not less than 160° proof add:
4.0 gallons of methyl isobutyl ketone.
1.0 gallon of kerosene.

PAR. 4. The list, "Denaturants Authorized for Completely and Specially Denatured Alcohol," is amended (1) by deleting therefrom the following:

Acetaldol	C. D. 16; 18
Kerosene	C. D. 16; 17; 18
Methyl isobutyl ketone	C. D. 17; 18; S. D. 23–G; 23–H
Pyronate	C. D. 16; 18
ST–115	C. D. 16; 17

and (2) by inserting therein the following:

Acetaldol	C. D. 18
Kerosene	C. D. 18; 19
Methyl isobutyl ketone	C. D. 18; 19 S. D. 23–G; 23–H
Pyronate	C. D. 18

This Treasury decision shall be effective upon its publication in the FEDERAL REGISTER.

This Treasury decision will facilitate the preparation of completely denatured alcohol for use in the manufacture of antifreeze for motor vehicles during the forthcoming winter season. Because it will merely (1) correct the obsolescence in formulae caused by the discontinuance of the manufacture of the denaturant ST–115, (2) permit the use, after approval by authorized chemists, of existing stocks of the denaturants Dehydrol-O, CS–501, and ST–115, and (3) effect improvements by eliminating or reducing the quantity of a denaturant affecting the commercial acceptance of a product for antifreeze purposes, it is hereby found that it is unnecessary to issue this Treasury decision with notice and public procedure thereon under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of said act.

(53 Stat. 375; 26 U. S. C. 3176. Interprets or applies 53 Stat. 358; 26 U. S. C. 3105)

[SEAL] T. COLEMAN ANDREWS,
Commissioner of Internal Revenue.

Approved: September 14, 1954.

M. B. FOLSOM,
Acting Secretary of the Treasury.

[F. R. Doc. 54–7341; Filed, Sept. 17, 1954; 8:52 a. m.]

TITLE 28—JUDICIAL ADMINISTRATION

Chapter I—Department of Justice

[Order 57–54]

PART 11—REGISTRATION OF COMMUNIST ORGANIZATIONS AND MEMBERS THEREOF

ADMINISTRATION OF CERTAIN SECTIONS OF THE SUBVERSIVE ACTIVITIES CONTROL ACT OF 1950

AUGUST 27, 1954.

Pursuant to the authority vested in me by sections 7, 8, 9, and 10 of the Subversive Activities Control Act of 1950 (64 Stat. 993–996) and by section 161 of the Revised Statutes of the United States (5 U. S. C. 22) the following regulations are hereby prescribed to carry out the provisions of said sections of the Subversive Activities Control Act of 1950:

DEFINITIONS OF TERMS

AUTHORITY: §§ 11.1 to 11.400 issued under R. S. 161, secs. 7, 8, 9, 10, 64 Stat. 993, 995, 996; 5 U. S. C. 22, 50 U. S. C. App. 786–789.

DEFINITION OF TERMS

§ 11.1 *Definitions of terms used in this part.* As used in this part, unless the context otherwise requires:

(a) The term "Attorney General" means the Attorney General of the United States.

(b) The term "act" means the Subversive Activities Control Act of 1950.

(c) The term "section" refers to a section of the act.

(d) The term "regulations" refers to all regulations, forms, and instructions to forms prescribed by the Attorney General pursuant to the act.

(e) The term "registrant" means an individual or organization for whom a registration statement is filed.

(f) The term "executive officer" means the individual who directs the course of business of the organization or who outlines the duties and directs the work of subordinate employees and who is responsible for the day-to-day operation of the organization's affairs and for carrying into effect the purposes of his employment.

(g) The term "moneys received" shall include, but shall not be necessarily limited to, all moneys and other things of value received by the registrant from rents, sales, bazaars, benefits, socials, parties, entertainments, gifts, donations, contributions, subscriptions, subsidies, legacies, grants, or funds held in trust for the benefit of the registrant.

(h) The term "moneys expended" shall include, but shall not be necessarily limited to, all moneys and other things of value which a registrant expends by way of purchase, barter, gift, donation, subscription, transfer, conveyance, lease, subsidy, assignment, endowment, or release.

GENERAL REGULATIONS

§ 11.100 *Administration of the act assigned to Internal Security Division.* The administration of sections 7 to 10, inclusive, of the Subversive Activities Control Act of 1950 is assigned to the Internal Security Division, Department of Justice. All communications with respect thereto should be addressed to the Assistant Attorney General, Internal Security Division, Department of Justice, Washington 25, D. C.

§ 11.101 *Computation of time.* Sundays and holidays shall be counted in computing any period of time provided for in the act or in this part.

§ 11.102 *Act and regulations in this part to be considered together.* In determining any question concerning the application of the act to any person the regulations in this part shall be considered together with the provisions of the act. The regulations in this part shall not be construed to limit the act or to define its full scope or application.

REQUIREMENTS AS TO REGISTRATION

§ 11.200 *Forms for registration of organizations.* Each Communist-action organization and each Communist-front organization which is required to register with the Attorney General shall accomplish such registration on a form hereby designated as Form ISA–1. This form is available at the Internal Security Division, Department of Justice, Washington 25, D. C. Forms may be obtained on personal application or through the mail.

§ 11.201 *Filing of registration statement.* Registration statements shall be prepared and filed in duplicate with the Internal Security Division, Department of Justice, Washington 25, D. C. Filing may be made in person or by mail and shall be deemed to have taken place upon the receipt thereof.

§ 11.202 *Annual reports.* The annual report required by section 7 (e) of the act shall be submitted on a form hereby designated as Form ISA–3. This form is available on request at the Internal Security Division, Department of Justice, Washington 25, D. C., and may be obtained either in person or by mail.

§ 11.203 *Accounting of moneys received and expended.* The accounting of moneys received and expended as required to be reported by section 7 (d) (3) of the act shall be accomplished in the manner prescribed by Items 4 to 10 of Form ISA–1.

§ 11.204 *Maintenance of books and records.* (a) Each organization registered under the act shall make and keep current all bookkeeping and other financial records relating to registrant's activities, including cancelled checks, bank statements, and records of income and disbursements, showing names and addresses of all persons who have paid moneys to the registrant or who have received moneys from the registrant, the specific amounts so paid or received, the date on which each item was paid or received, and the purpose for which any item was expended.

(b) Each Communist-action organization in addition to keeping the books and records required by paragraph (a) of this section shall make and keep current such books and records as will disclose the names and addresses of the members of the registrant, the officers and employees of the registrant, and the names and addresses of persons, other than members, officers or employees, who actively participate in the activities of the registrant.

§ 11.205 *Liability of officers.* In the event an organization required to regis-

ter pursuant to section 7 (a) or 7 (b) of the act has failed to submit its registration statement to the Attorney General for filing within the time specified by section 7 (c) of the act, it shall be the duty of the following designated officers of such organization, jointly with the executive officer and secretary of such organization, to execute and file the required registration statement within ten days after expiration of the 30-day periods specified in section 7 (c) of the act:

(a) The president, chairman, or other person who is chief officer of the organization.

(b) The vice-president, vice-chairman, or person performing similar function.

(c) The treasurer.

(d) Members of the governing board, council, or body.

§ 11.206 *Form for registration of individuals.* Each individual required to register pursuant to section 8 (a) or (b) of the act shall execute and file a form hereby designated as Form ISA–2. This form is available at the Internal Security Division, Department of Justice, Washington 25, D. C., and may be obtained in person or by mail.

§ 11.207 *Information required on Form ISA–2.* Form ISA–2 shall contain, among other things, the following information:

(a) Registrant's name, present residence address, present business address, and all previous residence addresses for the past five years.

(b) All other names ever used by registrant and when used.

(c) The name of the Communist-action organization of which registrant is a member or officer and all offices ever held by him in the organization.

(d) A description of registrant's duties or functions within the organization.

(e) The name of all other clubs, societies, committees, and other non-business organizations in the United States and elsewhere of which registrant has been a member, director, officer, or employee during the past ten years.

(f) Registrant's connections with any foreign government, foreign agency, foreign political party, or any official or representative thereof.

(g) Registrant's present nationality and all previous nationalities.

(h) Registrant's present citizenship status and how acquired.

(i) All past military service and present military status of registrant.

(j) An account of all registrant's trips abroad during the past five years including the names of the countries visited, length of stay, and purpose of visit.

(k) A description of any trip contemplated during the coming year.

REGISTERS

§ 11.300 *Public inspection of registers.* Registration statements filed by individuals pursuant to section 8 of the act and, subject to the provisions of section 9 (b) of the act, registration statements and annual reports filed by organizations under section 7 of the act shall be available for public inspection at the Internal Security Division, Department of Justice, Washington 25, D. C., from 10:00 a. m. to 4:00 p. m. on each official business day.

LABELING

§ 11.400 *Labeling of publications.* Any publication transmitted or caused to be transmitted through the United States mails, or by any means or instrumentality of interstate or foreign commerce and required to be labeled pursuant to section 10 (1) of the act shall bear the statement required by that section conspicuously marked at the beginning in the English language and in the language or languages used in such publication. The envelope, wrapper, or other container in which such publication is mailed, circulated, or transmitted shall bear the same statement in the English language in the lower left hand portion thereof.

This order supersedes Order No. 4147 of the Attorney General dated October 17, 1950, as amended by Supplement 1 thereto dated November 15, 1950, and Order No. 3–53 dated January 29, 1953, prescribing regulations governing the administration of sections 7, 8, 9, and 10 of the Subversive Activities Control Act of 1950.

WILLIAM P ROGERS,
Acting Attorney General.

[F. R. Doc. 54–7391; Filed, Sept. 17, 1954; 8:52 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter XIV—The Renegotiation Board

Subchapter B—Renegotiation Board Regulations Under the 1951 Act

PART 1451—SCOPE OF RENEGOTIATION BOARD REGULATIONS UNDER THE RENEGOTIATION ACT OF 1951, AND DEFINITIONS APPLICABLE THERETO

DEFINITIONS

This part is amended in the following respects:

1. Section 1451.11 *"The 1951 act" and "the act"* is deleted in its entirety and the following is inserted in lieu thereof:

§ 1451.11 *"The 1951 act" and "the act"* The terms "the 1951 act" and "the act" mean the Renegotiation Act of 1951, as amended or supplemented.

2. Section 1451.12 *"The 1948 act"* is deleted in its entirety and the following is inserted in lieu thereof:

§ 1451.12 *"The 1948 act"* The term "the 1948 act" means the Renegotiation Act of 1948, as amended or supplemented.

(Sec. 109, 65 Stat. 22; 50 U. S. C. App. Sup. 1219)

Dated September 15, 1954.

GEORGE C. MCCONNAUGHEY,
Chairman.

[F. R. Doc. 54–7329; Filed, Sept. 17, 1954; 8:49 a. m.]

PART 1453—MANDATORY EXEMPTIONS FROM RENEGOTIATION

MISCELLANEOUS AMENDMENTS

1. Section 1453.3 *Exemption of common carriers and public utilities* is amended as follows:

a. The statutory provision set forth in paragraph (a) is amended by deleting the semicolon at the end thereof and inserting the following: "and to such furnishing or sale in any case in which the Board finds that the regulatory aspects of rates for such furnishing or sale, or the type and nature of the contract for such furnishing or sale, are such as to indicate, in the opinion of the Board, that excessive profits are improbable;" [Quoted matter added by Pub. Law 764, 83d Cong., approved September 1, 1954, and applies only with respect to fiscal years ending on or after December 31, 1953.]

b. Paragraph (d) is deleted in its entirety and the following is inserted in lieu thereof:

(d) *Common carriers by water* (1) With respect to fiscal years ending before December 31, 1953, a contract with a common carrier for transportation by water is exempt only if the sale or furnishing of such transportation is subject to the jurisdiction of the Interstate Commerce Commission under Part III of the Interstate Commerce Act or subject to the jurisdiction of the Federal Maritime Board under the Intercoastal Shipping Act, 1933. Rates for passenger or cargo transportation to foreign ports are not fixed by these agencies under the statutes referred to in the last sentence of section 106 (a) (4) of the act, and thus contracts for such transportation are not within the exemption.

(2) With respect to fiscal years ending on or after December 31, 1953, a contract with a common carrier for transportation by water is exempt if it meets the conditions set forth in subparagraph 1 of this paragraph or if the Board finds, upon application of the contractor, that the regulatory aspects of rates for the sale or furnishing of such transportation, or the type and nature of the contract for such furnishing or sale, are such as to indicate, in the opinion of the Board, that excessive profits are improbable. Any application for such a finding shall be filed with the Board not later than the date when the contractor files the financial statement prescribed in section 105 (e) (1) of the act (see § 1470.3 (a) of this subchapter) for the fiscal year in which the contractor received or accrued the amounts with respect to which the exemption is claimed. In any financial statement so filed, receipts or accruals under any contract with respect to which the Board is requested to make such a finding shall be included initially in computing the aggregate renegotiable receipts or accruals of the contractor for the fiscal year to which such statement relates.

2. Section 1453.5 *Contracts that do not have a direct and immediate connection with the national defense* is amended as follows:

a. The statutory provision set forth in paragraph (a) is amended by inserting immediately after the second period therein the following: "In designating those classes and types of contracts which shall be exempt and in exempting any individual contract under this paragraph, the Board shall consider as not having a direct or immediate connection with national defense any contract for the furnishing of materials or services to be used by the United States, a Department or agency thereof, in the manufacture and sale of synthetic rubbers to a private person or to private persons which are to be used for nondefense purposes. If the use by such private person or persons shall be partly for defense and partly for nondefense purposes, the Board shall consider as not having a direct or immediate connection with national defense that portion of the contract which is determined not to have been used for national defense purposes. The method used in making such determination shall be subject to approval by the Board." [Quoted matter added by Pub. Law 764, 83d Cong., approved September 1, 1954.]

b. Paragraph (b) (19) is deleted in its entirety.

(c) A new paragraph (g) is added to read as follows:

(g) *Synthetic rubber* Under section 106 (a) of the act, the Board is required and empowered to determine the extent to which materials or services furnished under a contract with a Department are used in the manufacture of synthetic rubber for sale thereof to a private person or to private persons for nondefense purposes. In the absence of specific information concerning the extent to which materials and services furnished under any such contract are to be so used, the Board will apply the industry percentages set forth from time to time in Renegotiation Staff Bulletin No. 21 and supplements thereto, which Bulletin and supplements are hereby made a part of these regulations.

(Sec. 109, 65 Stat. 22; 50 U. S. C. App. Sup. 1219)

Dated: September 15, 1954.

GEORGE C. MCCONNAUGHEY,
Chairman.

[F. R. Doc. 54-7330; Filed, Sept. 17, 1954; 8:49 a. m.]

PART 1455—PERMISSIVE EXEMPTIONS FROM RENEGOTIATION

PROFITS DETERMINABLE WHEN CONTRACT PRICE IS ESTABLISHED

Section 1455.3 *Contracts under which profits can be determined at time contract price is established* is amended by deleting in paragraph (b) (6) the words "$250,000, or, during a fiscal year which is a fractional part of 12 months, is not more than the same fractional part of $250,000" and inserting in lieu thereof the following: "$250,000, in the case of a fiscal year ending before June 30, 1953, or $500,000, in the case of a fiscal year ending on or after June 30, 1953, or, during a fiscal year which is a fractional part of 12 months, is not more than the same fractional part of $250,000 or $500,000, as the case may be"

(Sec. 109, 65 Stat. 22; 50 U. S. C. App. Sup. 1219)

Dated: September 15, 1954.

GEORGE C. MCCONNAUGHEY,
Chairman.

[F. R. Doc. 54-7331; Filed, Sept. 17, 1954; 8:50 a. m.]

PART 1458—RECEIPTS OR ACCRUALS UNDER STATUTORY MINIMUM

MISCELLANEOUS AMENDMENTS

This part is amended in the following respects:

1. Section 1458.1 *Statutory provision* is amended by deleting "$250,000" wherever it appears in paragraph (1) set forth therein and inserting in lieu thereof the following: "$250,000, in the case of a fiscal year ending before June 30, 1953, or $500,000, in the case of a fiscal year ending on or after June 30, 1953" and by inserting in the second sentence of paragraph (3) set forth therein, after "the $250,000 amount" the following: " the $500,000 amount,"

2. Section 1458.2 *Computation of aggregate receipts* and *accruals* is amended by deleting "$250,000" in paragraph (a) (1) and inserting in lieu thereof the following: "$250,000, in the case of a fiscal year ending before June 30, 1953, or $500,000, in the case of a fiscal year ending on or after June 30, 1953", and by inserting the words "prime contracts and" before the words "subcontracts for new durable productive equipment" in paragraph (b)

3. Section 1458.3 *No reduction by refund below statutory minimum* is amended by deleting "$250,000" in paragraph (a) and inserting in lieu thereof the following: "$250,000, in the case of a fiscal year ending before June 30, 1953, or $500,000, in the case of a fiscal year ending on or after June 30, 1953."

4. Section 1458.4 *Proration of statutory minimum* is amended by deleting the words "the $250,000 amount" in paragraph (a) and inserting in lieu thereof the words "the $250,000 and $500,000 amounts"

5. Section 1458.5 *Statutory minimum not an exemption* is amended by deleting "$250,000" wherever it appears in paragraphs (a) and (b) and inserting in lieu thereof the following: "$250,000, $500,000"

(Sec. 109, 65 Stat. 22; 50 U. S. C. App. Sup. 1219)

Dated September 15, 1954.

GEORGE C. MCCONNAUGHEY,
Chairman.

[F. R. Doc. 54-7332; Filed, Sept. 17, 1954; 8:50 a. m.]

PART 1460—PRINCIPLES AND FACTORS IN DETERMINING EXCESSIVE PROFITS

MINIMUM REFUND

This part is amended by deleting the last sentence of § 1460.5 *Minimum refund*, and by deleting the first two sentences and inserting in lieu thereof the following: "Except as hereinafter provided, and in the absence of unusual circumstances, no determination of excessive profits shall be made if such excessive profits before adjustment for State taxes measured by income amount to (a) less than $10,000 with respect to any fiscal year ended on or before December 31, 1951, or (b) less than $20,000 with respect to any fiscal year ending after December 31, 1951 and before June 30, 1953, or (c) less than $40,000 with respect to any fiscal year ending on or after June 30, 1953, or (d) less than $10,000 with respect to any fiscal year in the case of subcontracts described in section 103 (g) (3) of the act. If a determination of excessive profits would be made at or in excess of the applicable minimum amount but for the limitation set forth in section 105 (f) (1) or (2) of the act and § 1458.3 (a) or (b) of this subchapter, the determination will be made in accordance with such limitation even though the amount of the determination is less than the minimum prescribed by this section."

(Sec. 109, 65 Stat. 22; 50 U. S. C. App. Sup. 1219)

Dated: September 15, 1954.

GEORGE C. MCCONNAUGHEY,
Chairman.

[F. R. Doc. 54-7333; Filed, Sept. 17, 1954; 8:50 a. m.]

PART 1471—ASSIGNMENT OF CONTRACTORS FOR RENEGOTIATION

HOW ASSIGNMENT IS MADE

Section 1471.2 *How assignment is made* is amended by deleting "$400,000" wherever it appears in paragraph (b) and inserting in lieu thereof "$800,000" and by deleting "$50,000" wherever it appears in paragraph (d) and inserting in lieu thereof "$100,000"

(Sec. 109, 65 Stat. 22; 50 U. S. C. App. Sup. 1219)

Dated: September 15, 1954.

GEORGE C. MCCONNAUGHEY,
Chairman.

[F. R. Doc. 54-7334; Filed, Sept. 17, 1954; 8:50 a. m.]

PART 1474—AGREEMENT PROCEDURE

MISCELLANEOUS AMENDMENTS

This part is amended in the following respects:

1. Section 1474.1 *Statutory provision* is amended by deleting the period at the end of the statutory provision set forth therein and inserting the following: " and shall also have the power to set aside and declare null and void any such agreement if, upon a request made to the Board within three years from the date of such agreement, the Board finds as a fact that the aggregate of the amounts received or accrued by the other party to such agreement during the fiscal

year covered by such agreement was not more than the minimum amounts subject to renegotiation specified in section 105 (f) for such fiscal year"

[Quoted matter added by Pub. Law 764, 83d Cong., approved September 1, 1954.]

2. A new § 1474.7 is added to read as follows:

§ 1474.7 *Nullification of agreement*—(a) *Filing of requests.* Any request that an agreement to eliminate excessive profits be set aside and declared null and void pursuant to section 105 (d) of the act shall be filed by the contractor with the Board, and shall contain a full and complete statement of the facts upon which the contractor relies, including copies of supporting documents, if any. Upon request of the Board, the contractor shall file any additional information or documents which the Board may consider necessary or pertinent. If a request that an agreement be set aside is filed before the amount payable thereunder is fully paid, the contractor shall, at the time of filing such request with the Board, mail notice of such filing to the collecting agency designated in the agreement.

(b) The filing pursuant to this section of a request that an agreement be set aside shall suspend the obligation of the contractor to pay any sum due under the agreement until the Board that an the agreement until the Board shall have acted upon such request. A determination by the Board that an agreement shall be set aside and declared null and void pursuant to the provisions of section 105 (d) of the act shall be embodied in an order to that effect.

(Sec. 109, 65 Stat. 22; 50 U. S. C. App. Sup. 1219)

Dated: September 15, 1954.

GEORGE C. MCCONNAUGHEY,
Chairman.

[F. R. Doc. 54-7335; Filed, Sept. 17, 1954; 8:50 a. m.]

PART 1490—BROKERS AND MANUFACTURERS' AGENTS

MISCELLANEOUS AMENDMENTS

This part is amended in the following respects:

1. Section 1490.3 *Limited exemption of subcontracts for architectural, design or engineering services* is amended by deleting "$250,000" and inserting in lieu thereof the following: "$250,000, in the case of a fiscal year ending before June 30, 1953, or $500,000, in the case of a fiscal year ending on or after June 30, 1953"

2. Section 1490.6 *Determination of renegotiable business under section 103 (g) (3) of the act* is amended by deleting paragraph (f) in its entirety and inserting in lieu thereof the following:

(f) Receipts and accruals under subcontracts described in section 103 (g) (3) of the act, to the extent that such receipts or accruals are referable to prime contracts or subcontracts for new durable productive equipment, are subject to renegotiation to the same extent as the receipts or accruals under the prime contracts or subcontracts to which they are referable.

(Sec. 109, 65 Stat. 22; 50 U.S.C. App. Sup. 1219)

Dated: September 15, 1954.

GEORGE C. MCCONNAUGHEY,
Chairman.

[F. R. Doc. 54-7336; Filed, Sept. 17, 1954; 8:50 a. m.]

PART 1493—FORMS RELATING TO AGREEMENTS AND ORDERS

MISCELLANEOUS AMENDMENTS

This part is amended in the following respects:

1. Section 1498.2 *Variations in form of renegotiation agreement* is amended by deleting "$250,000 [$25,000]" from the form of agreement provision set forth in paragraph (c)

2. Section 1498.8 *Notice by Regional Board of cancellation of assignment* is deleted in its entirety and the following is inserted in lieu thereof:

§ 1498.8 *Letter not to proceed* (Regional Board)—(a) *Class B. case, general.*

_____
(Date)

GENTLEMEN: By letter dated _____ you were notified of the assignment to this Regional Board of the renegotiation case for your fiscal year ended _____.

Based upon the information submitted by you, it appears that you have not realized excessive profits from contracts and subcontracts subject to the Renegotiation Act of 1951, as amended or supplemented, for the fiscal year in question. Accordingly, this Regional Board will not proceed further with this case unless there is a subsequent indication that you may have realized excessive profits for such fiscal year.

Very truly yours,
REGIONAL RENEGOTIATION BOARD.

(b) *Class B "floor" case.* If the contractor's aggregate renegotiable receipts or accruals have been determined to be below the applicable statutory minimum (see Part 1458 of this subchapter) the second paragraph of the form appearing in paragraph (a) of this section will be deleted and the following paragraph used in lieu thereof:

Based upon the information submitted by you, it appears that your aggregate receipts or accruals from contracts and subcontracts subject to the Renegotiation Act of 1951, as amended or supplemented, were less than $_____ for the fiscal year in question. Accordingly, this Regional Board will not proceed further with this case unless it subsequently appears that your renegotiable receipts or accruals for such fiscal year aggregated $_____ or more.

(Sec. 109, 65 Stat. 22; 50 U. S. C. App. Sup. 1219)

Dated: September 15, 1954.

GEORGE C. MCCONNAUGHEY,
Chairman.

[F. R. Doc. 54-7337; Filed, Sept. 17, 1954; 8:51 a. m.]

TITLE 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[Docket No. 10677; FCC 54-1142]
[Rules Amdts. 7-7, 8-9]

PART 7—STATIONS ON LAND IN THE MARITIME SERVICES

PART 8—STATIONS ON SHIPBOARD IN THE MARITIME SERVICES

FREQUENCIES AVAILABLE FOR MARITIME MOBILE TELEPHONY AT NEW YORK

In the matter of amendment of Parts 7 and 8 of the Commission's rules to make an additional pair of 4 Mc frequencies available for maritime mobile telephony at New York.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 8th day of September 1954;

The Commission having under consideration its notice of proposed rule making in the above entitled matter; and

It appearing, that in accordance with the requirements of section 4 (a) of the Administrative Procedure Act, the aforementioned notice of proposed rule making which made provision for the submission of written comments by interested parties was duly published in the FEDERAL REGISTER on September 11, 1953 (18 F R. 5473) and that the period provided for the filing of comments has now expired; and

It further appearing, that no objections to the proposed amendments have been filed; and

It further appearing, that the public interest, convenience, and necessity will be served by the amendments herein ordered, the authority for which is contained in section 303 (c) (f) and (r) of the Communications Act of 1934, as amended;

It is ordered, That effective October 18, 1954, Parts 7 and 8 of the Commission's rules are amended as set forth below to include for winter use in the New York area the frequency pair 4434.5 kc and 4129.1 kc.

(Sec. 303, 48 Stat. 1082 as amended; 47 U. S. C. 303)

Released: September 10, 1954.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

1. Section 7.306 (a) (1) is amended by adding the following frequency pair to the table of frequencies and by adding footnote 4.

[4]4434.5	New York, N. Y.	[4]4129.1

[4] Available for use during period December 15 to March 15.

2. Section 7.306 (b) is amended by revising that portion of the frequency table for the New York, N. Y., area to read:

New York, N. Y.	2522	None.	2103	None.
	2590	None.	2103	None.
	2482	Available beginning on a date to be designated; on condition that harmful interference is not caused to the service of any coast station located in the vicinity of New Orleans, La., to which this carrier frequency is assigned for transmission.[3]	2382	Available beginning on a date to be designated.[3]
	2558	None.	2160	None.
	4405.9	None.	4087.7	None.
	4434.5	Available for use annually during period Dec. 15 to Mar. 15.	4129.1	Available for use annually during period Dec. 15 to Mar. 15.
	4752.5	None.	4101.5	None.

3. Section 8.354 (a) (1) is amended by revising that portion of the frequency table for the New York, N. Y., area to read:

New York, N. Y.	2126	None.	2522	None.
	2198	None.	2590	None.
	2382	Available beginning on a date to be designated; on condition that harmful interference is not caused to the service of any ship station which is within 300 nautical miles of New Orleans, La., and is transmitting on this frequency to a coast station located in the vicinity of that port.[3]	2482	Available beginning on a date to be designated.[3]
	2166	None.	2558	None.
	4087.7	None.	4405.9	None.
	4129.1	Available for use annually during period Dec. 15 to Mar. 15.	4434.5	Available for use annually during period Dec. 15 to Mar. 15.
	4101.5	None.	4752.5	None.

[F. R. Doc. 54-7346; Filed, Sept. 17, 1954; 8:53 a. m.]

TITLE 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

PART 141—FREIGHT SCHEDULES

PART 145—PASSENGER SERVICE SCHEDULES

PART 148—POSTING TARIFFS AT STATIONS

PART 311—PASSENGER TARIFFS OF COMMON CARRIERS BY WATER

PART 312—FREIGHT TARIFFS AND SCHEDULES

POSTING OF TARIFFS AT STATIONS

At a session of the Interstate Commerce Commission, Division 2, held at its office in Washington, D. C., on the 17th day of August A. D. 1954.

It appearing, that on January 18, 1954, notice to the public was given of proposed changes to be made in the regulations governing the posting of freight and passenger tariffs at stations; that written statements containing data, views, or arguments concerning the proposed posting rules have been received; that informal conferences have been held; and that full consideration has been given to all of the matters and things involved:

It is ordered, That the following regulations governing the posting of tariffs are hereby approved and prescribed for all carriers of passengers and property subject to section 6 (1) and section 306 (a) of the Interstate Commerce Act, and for common carriers by motor vehicle subject to section 217 (a) of the Interstate Commerce Act insofar as tariffs of such common carriers show joint motor-rail, motor-water, and/or motor-rail-water rates, fares or charges.

It is further ordered, That Part 148 of this title, Posting of Tariffs at Stations, be amended by deletion of the entire text thereof and substitution in lieu thereof of the following:

Subpart A—Freight Tariffs of Common Carriers by Rail, Water, or Pipe Line, and Freight Tariffs of Common Carriers by Motor Vehicle Containing Joint Motor-Rail, Motor-Water, and/or Motor-Rail-Water Rates

Sec.
148.0 Posting of tariffs defined.
148.1 Carriers required to post tariffs at stations.
148.2 Relief from requirements.
148.3 Location of complete public files of tariffs.
148.4 Selection of posting places.
148.5 Time of posting.
148.6 Tariff files to be accessible to the public.
148.7 Notice required to be posted.
148.8 Check-up on files of tariffs.

Subpart B—Passenger Tariffs of Common Carriers by Rail or Water and Passenger Tariffs of Common Carriers by Motor Vehicle Containing Joint Motor-Rail, Motor-Water, and/or Motor-Rail-Water Fares, also Passenger Tariffs of Sleeping Car Companies

148.100 Posting of tariffs defined.
148.101 Carriers required to post tariffs at stations.
148.102 Relief from requirements.
148.103 Location of complete public file of tariffs.
148.104 Selection of posting places.
148.105 Time of posting.
148.106 Tariff files to be accessible to the public.
148.107 Notice required to be posted.
148.108 Check-up on files of tariffs.

Subpart C—Freight Tariffs of Common Carriers by Water

148.200 Posting of tariffs defined.
148.201 Carriers required to post tariffs.
148.202 Location of complete public file of tariffs.
148.203 Time of posting.
148.204 Tariff files to be accessible to the public.
148.205 Check-up on files of tariffs.

Subpart D—Passenger Tariffs of Common Carriers by Water

148.300 Posting of tariffs defined.
148.301 Carriers required to post tariffs.
148.302 Location of complete public file of tariffs.
148.303 Time of posting.
148.304 Tariff files to be accessible to the public.
148.305 Check-up on files of tariffs.

SUBPART A—FREIGHT TARIFFS OF COMMON CARRIERS BY RAIL, WATER, OR PIPE LINE, AND FREIGHT TARRIFFS OF COMMON CARRIERS BY MOTOR VEHICLE CONTAINING JOINT MOTOR-RAIL, MOTOR-WATER, AND/OR MOTOR-RAIL-WATER RATES

AUTHORITY: §§ 148.0 to 148.8 issued under sec. 12, 24 Stat. 383, as amended; 49 U. S. C. 12. Interpret or apply sec. 6, 24 Stat. 380, as amended; 49 U. S. C. 6.

§ 148.0 *Posting of tariffs defined.* The term "post" as used in this part means the maintenance of a file of tariffs in the custody of an agent of the carrier in a complete, accessible, and usable form, and keeping such file of tariffs available to the public upon request during ordinary business hours. The term "tariff" as used in this part includes tariff supplements or amendments.

§ 148.1 *Carriers required to post tariffs at stations.* (a) Each railroad and each common carrier by water shall post at each station (loading port as to water carriers) at which freight is received for transportation and at which an agent is employed all tariffs (including those filed for it by tariff-publishing agents or by other carriers with its concurrence) which contain rates applying from that station or which contain terminal or other charges applicable at that station, together with all other tariffs needed to determine the application of such rates or charges, excepting tariffs which show only the marked capacities, lengths, dimension and cubical capacities of cars. There shall also be posted at each such station an index of the carrier's freight tariffs in form as provided in § 141.11 of this subchapter (Rule 11 of Tariff Circular No. 20)

(b) Each common carrier by motor vehicle shall post at each station or office at which freight is received for transportation and at which an agent is employed all tariffs containing joint motor-rail, motor-water, and/or motor-rail-water rates applying from or at such station or office.

§ 148.2 *Relief from requirements.* If any tariff so posted (other than a tariff index) has not been used for a substantial length of time the posting of that tariff, including reissues thereof, may be discontinued at that station until such time as a request is made to the carrier's agent to have it reposted. It shall then be reposted within 20 days and thereafter kept posted.

§ 148.3 *Location of complete public files of tariffs.* (a) Each common carrier by rail, water, and pipeline shall post at its principal office a complete set of all tariffs which it issues or to which it is a party, together with an index thereto, and each rail carrier with 5,000 miles or more of first main track (including branch lines but excluding yard, terminal, and industrial tracks) shall also post at not less than one additional

point a complete set of all tariffs (see Note) which it issues or to which it is a party. In determining the number of miles of first main track operated, family lines may be considered as a unit and subsidiary carriers as a part of the controlling carrier.

NOTE: Switching and terminal railroads need maintain at their principal office a complete file of their local tariffs only.

A small carrier which has authorized its principal connecting carrier to file tariffs on its behalf may have its tariffs included in the complete public tariff file of such connecting carrier without such small carrier maintaining a separate complete public file.

(b) Each common carrier by motor vehicle shall post at its principal office a complete set of tariffs containing joint motor-rail, motor-water, and/or motor-rail-water rates or charges which it issues or to which it is a party.

§ 148.4 *Selection of posting places.* When posting places in addition to the principal office are required, railroads shall select posting places which, in their judgment, will best serve and promote the convenience of the public in using the traiffs. The places selected shall be cities directly served by the railroad. Each railroad shall advise the Commission by letter of the posting places selected and of any changes thereafter made. The Commission may, after reasonable investigation and without formal hearing, designate posting places in addition to or in substitution of those selected by the carrier.

§ 148.5 *Time of posting.* Each tariff must be posted at least 30 days before its effective date, excepting those as to which the Commission has authorized a shorter period of notice to the public. Each carrier shall require the agent at every station or office at which tariffs are posted to write or stamp on each tariff the date on which it was posted.

§ 148.6 *Tariff files to be accessible to the public.* Each file of tariffs shall be in charge of an agent of the carrier. Each carrier shall require and instruct such agent to afford inquirers an opportunity to examine any of such tariffs without asking the inquirer to assign any reason therefor, and, upon request, to lend assistance to seekers of information therefrom with all promptness possible and consistent with proper performance of other duties.

§ 148.7 *Notice required to be posted.* Each carrier shall also cause to be displayed continuously in a conspicuous public place at each station or office at which tariffs are required to be posted, a notice printed in large type reading as follows:

With only such exceptions as have been authorized by the Interstate Commerce Commission, all tariffs which contain rates and charges applying from or at this station are on file in this office, together with an index of all of this company's freight tariffs. The tariffs and index may be inspected by any person upon application and without the assignment of any reason for such inspection. The agent on duty in this office will lend any assistance desired in securing information therefrom.

If request is made for a tariff naming rates from this station, the posting of which has been discontinued because of nonuse, the agent will arrange to have it reposted within 20 days and thereafter keep it posted.

In addition a complete file of all of this company's tariffs, with indexes thereof, is maintained and kept available for public inspection at:

(Here indicate the place or places where complete tariff files are maintained, including the street address and, where appropriate, the room number.)

§ 148.8 *Check-up on files of tariffs.* Each carrier shall place in effect a system of supervision that will insure the continued maintenance in proper and readily accessible form of tariff files required at each station and also at each office where complete files are maintained. Such stations and offices must be furnished at least once a year with a list of all of the tariffs which should be in their files. Upon receipt of the list the agent or employee in charge will immediately check the tariffs on hand against the list, and report any deficiencies. Evidence of improper maintenance of files at any station or office may incur the prescription of detailed instructions to the carrier by the Commission necessary to insure compliance with the regulations.

SUBPART B—PASSENGER TARIFFS OF COMMON CARRIERS BY RAIL OR WATER AND PASSENGER TARIFFS OF COMMON CARRIERS BY MOTOR VEHICLE CONTAINING JOINT MOTOR-RAIL, MOTOR-WATER, AND/OR MOTOR-RAIL-WATER FARES, ALSO PASSENGER TARIFFS OF SLEEPING CAR COMPANIES

AUTHORITY: §§ 148.100 to 148.108 issued under sec. 12, 24 Stat. 383, as amended; 49 U. S. C. 12. Interpret or apply sec. 6, 24 Stat. 380, as amended; 49 U. S. C. 6.

§ 148.100 *Posting of tariffs defined.* The term "post" as used in this part means the maintenance of a file of tariffs in the custody of an agent of the carrier in a complete, accessible, and usable form, and keeping such file of tariffs available to the public upon request during ordinary business hours. The term "tariff" as used in this part includes tariff supplements or amendments.

§ 148.101 *Carriers required to post tariffs at stations.* (a) Each railroad, sleeping car company and each common carrier by water shall post at each station at which passengers are received for transportation and at which an agent is employed all tariffs (including those filed for it by tariff-publishing agents or by other carriers with its concurrence) which contain fares applying from that station or which contain terminal or other charges applicable at that station, together with all other tariffs needed to determine the application of such fares or charges. There shall also be posted at each such station an index of the carrier's passenger tariffs in form as provided in § 145.39 of this subchapter (Rule 39 of Tariff Circular No. 18–A)

(b) Each common carrier by motor vehicle shall post at each station or office at which passengers are received for transportation and at which an agent is employed all tariffs containing joint motor-rail, motor-water, and/or motor-rail-water fares applying from or at such station or office.

§ 148.102 *Relief from requirements.* If any tariff so posted (other than a tariff index) has not been used for a substantial length of time the posting of that tariff, including reissues thereof, may be discontinued until such time as a request is made to the carrier's agent to have it reposted. It shall then be reposted within 20 days and thereafter kept posted.

§ 148.103 *Location of complete public file of tariffs.* (a) Each railroad and sleeping car company and each common carrier by water shall post at its principal office a complete set of all tariffs which it issues or to which it is a party, together with an index thereto, and each rail carrier with 5,000 miles or more of first main track (including branch lines but excluding yard, terminal and industrial tracks) shall also post at not less than one additional point a complete set of tariffs which it issues or to which it is a party. In determining the number of miles of first main track operated, family lines may be considered as a unit and subsidiary carriers as a part of the controlling carrier. A small carrier which has authorized its principal connecting carrier to file tariffs on its behalf may have its tariffs included in the complete public tariff file of such connecting carrier without such small carrier maintaining a separate complete public file.

(b) Each common carrier by motor vehicle shall post at its principal office a complete set of tariffs containing joint motor-rail, motor-water, and/or motor-rail-water fares which it issues or to which it is a party.

§ 148.104 *Selection of posting places.* When posting places in addition to the principal office are required, railroads will select posting places which, in their judgment, will best serve and promote the convenience of the public in using the tariffs. The places selected shall be cities directly served by the railroad. Each railroad will advise the Commission by letter of the posting places selected and of any changes thereafter made. The Commission may, after reasonable investigation and without formal hearing, designate posting places in addition to or in substitution of those selected by the carrier.

§ 148.105 *Time of posting.* Each tariff must be posted at least 30 days before its effective date, excepting those as to which the Commission has authorized a shorter period of notice to the public. Each carrier shall require the agent at every station or office at which tariffs are posted to write or stamp on each tariff the date on which it was posted.

§ 148.106 *Tariff files to be accessible to the public.* Each file of tariffs shall be in charge of an agent of the carrier. Each carrier shall require and instruct such agent to afford inquirers an opportunity to examine any of such tariffs without asking the inquirer to assign any reason therefor, and, upon request, to lend assistance to seekers of information

therefrom with all promptness possible and consistent with proper performance of other duties.

§ 148.107 *Notice required to be posted.* Each carrier shall also cause to be displayed continuously in a conspicuous public place at each station or office at which tariffs are required to be posted, a notice printed in large type reading as follows:

With only such exceptions as have been authorized by the Interstate Commerce Commission all tariffs which contain fares and charges applying from or at this station are on file at this office, together with an index of all of this company's passenger tariffs. The tariffs and index may be inspected by any person upon application and without the assignment of any reason for such inspection. The agent on duty in this office will lend any assistance desired in securing information therefrom.

If request is made for a tariff naming fares from this station, the posting of which has been discontinued because of nonuse, the agent will arrange to have it reposted within 20 days and thereafter keep it posted.

In addition a complete file of all of this company's tariffs, with indexes thereof, is maintained and kept available for public inspection at:

(Here indicate the place or places where complete tariff files are maintained, including the street address and, where appropriate, the room number).

§ 148.108 *Check-up on files of tariffs.* Each carrier shall place in effect a system of supervision that will insure the continued maintenance in proper and readily accessible form of tariff files required at each station and also at each office where complete files are maintained. Such stations and offices must be furnished at least once a year with a list of all of the tariffs which should be in their files. Upon receipt of the list the agent or employee in charge will immediately check the tariffs on hand against the list and report any deficiencies. Evidence of improper maintenance of files at any station or office may incur the prescription of detailed instructions to the carrier by the Commission necessary to insure compliance with these regulations.

SUBPART C—FREIGHT TARIFFS OF COMMON CARRIERS BY WATER

AUTHORITY: §§ 148.200 to 148.205 issued under sec. 304, 54 Stat. 933; 49 U. S. C. 904. Interpret or apply sec. 306, 54 Stat. 935; 49 U. S. C. 906.

NOTE: This subpart is applicable to the posting of freight tariffs constructed in conformity with Subpart A of Part 312 of this chapter covering the transportation of property by common carriers by water which was not subject to the jurisdiction of the U. S. Maritime Commission or the Interstate Commerce Commission prior to January 1, 1941.

CROSS REFERENCE: For posting regulations applicable to freight tariffs constructed in conformity with Part 141 of this chapter see Subpart A of this part.

§ 148.200 *Posting of tariffs defined.* The term "post" as used in this part means the maintenance of a file of tariffs in the custody of an agent of the carrier in a complete, accessible, and usable form, and keeping such file of tariffs available to the public upon request during ordinary business hours. The term "tariff" as used in this part includes tariff supplements or amendments.

§ 148.201 *Carriers required to post tariffs.* Each common carrier by water shall post at each loading port at which freight is received for transportation and at which an agent is employed all tariffs (including those filed for it by tariff-publishing agents) which contain rates applying from that port or other charges applicable at that port, together with all other tariffs needed to determine the application of such rates or charges.

§ 148.202 *Location of complete public file of tariffs.* Each common carrier by water shall post at its principal office a complete set of tariffs which it issues, also tariffs containing joint water rates to which it is a party.

§ 148.203 *Time of posting.* Each tariff must be posted at least 30 days before its effective date, excepting those as to which the Commission has authorized a shorter period of notice. Each carrier shall require the agent at every port or office at which tariffs are posted to write or stamp on each tariff the date on which it was posted.

§ 148.204 *Tariff files to be accessible to the public.* Each file of tariffs shall be in charge of an agent of the carrier. Each carrier shall require and instruct such agent to afford inquirers an opportunity to examine any of such tariffs without asking the inquirer to assign any reason therefor, and, upon request, to lend assistance to seekers of information therefrom with all promptness possible and consistent with proper performance of other duties.

§ 148.205 *Check-up on files of tariffs.* Each carrier shall place in effect a system of supervision that will insure the continued maintenance in proper and readily accessible form of tariff files required at each port and also at its principal office where a complete file is maintained. Evidence of improper maintenance of files at any port or office may incur the prescription of detailed instructions to the carrier by the Commission necessary to insure compliance with these regulations.

SUBPART D—PASSENGER TARIFFS OF COMMON CARRIERS BY WATER

AUTHORITY: §§ 148.300 to 148.305 issued under sec. 304, 54 Stat. 933; 49 U. S. C. 904. Interpret or apply sec. 306, 54 Stat. 935; 49 U. S. C. 906.

NOTE: This subpart is applicable to the posting of passenger tariffs constructed in conformity with Part 311 of this chapter covering the transportation of passengers by common carriers by water which was not subject to the jurisdiction of the U. S. Maritime Commission or the Interstate Commerce Commission prior to January 1, 1941.

CROSS REFERENCE: For posting regulations applicable to passenger tariffs constructed in conformity with Part 145 of this chapter see Subpart B of this part.

§ 148.300 *Posting of tariffs defined.* The term "post" as used in this part means the maintenance of a file of tariffs in the custody of an agent of the carrier in a complete, accessible, and usable form, and keeping such file of tariffs available to the public upon request during ordinary business hours. The term "tariff" as used in this part includes tariff supplements or amendments.

§ 148.301 *Carriers required to post tariffs.* Each common carrier by water shall post at each port from which passengers are received for transportation and at which an agent is employed all tariffs (including those filed for it by tariff-publishing agents) which contain fares applying from that port or other charges applicable at that port, together with all other tariffs needed to determine the application of such fares or charges.

§ 148.302 *Location of complete public file of tariffs.* Each common carrier by water shall post at its principal office a complete set of tariffs which it issues, also tariffs containing joint water fares to which it is a party.

§ 148.303 *Time of posting.* Each tariff must be posted at least 30 days before its effective date, excepting those as to which the Commission has authorized a shorter period of notice. Each carrier shall require the agent at every port or office at which tariffs are posted to write or stamp on each tariff the date on which it was posted.

§ 148.304 *Tariff files to be accessible to the public.* Each file of tariffs shall be in charge of an agent of the carrier. Each carrier shall require and instruct such agent to afford inquirers an opportunity to examine any of such tariffs without asking the inquirer to assign any reason therefor, and, upon request, to lend assistance to seekers of information therefrom with all promptness possible and consistent with proper performance of other duties.

§ 148.305 *Check-up on files of tariffs.* Each carrier shall place in effect a system of supervision that will insure the continued maintainance in proper and readily accessible form of tariff files required at each port and also at its principal office where a complete file is maintained. Evidence of improper maintenance of files at any port or office may incur the prescription of detailed instructions to the carrier by the Commission necessary to insure compliance with the regulations in this part.

It is further ordered, That Part 141 of this title, Freight Schedules, be amended by deleting the text of § 141.111 *Posting of tariffs,* and by changing the cross reference thereunder to read:

CROSS REFERENCE: For regulations governing the posting of freight tariffs of common carriers by rail, water, and pipe line, including tariffs containing joint motor-rail, motor-water, and/or motor-rail-water rates, see Subpart A of Part 148 of this chapter.

It is further ordered, That Part 145 of this title, Passenger Service Schedules, be amended by deleting the text of § 145.107 *Posting of tariffs containing joint rail-motor fares,* and by inserting at that point the following cross reference:

CROSS REFERENCE: For regulations governing the posting of passenger tariffs of common carriers by rail or water, including tariffs containing joint motor-rail, motor-

water, and/or motor-rail-water fares, also passenger tariffs of sleeping car companies see Subpart B of Part 148 of this chapter.

It is further ordered, That Part 311 of this title, Passenger Tariffs of Common Carriers by Water, be amended by deleting the text of § 311.6 *Posting regulations,* and by inserting at that point the following cross reference:

CROSS REFERENCE: For regulations governing the posting of passenger tariffs of common carriers by water see Subpart D of Part 148 of this chapter.

It is further ordered, That Part 312 of this title, Freight Tariffs and Schedules, be amended by deleting the text of § 312.6 *Posting regulations,* and by inserting at that point the following cross reference:

CROSS REFERENCE: For regulations governing the posting of freight tariffs of common carriers by water see Subpart C of Part 148 of this chapter.

It is further ordered, That this order shall become effective on the 15th day of December A. D. 1954.

And it is further ordered, That notice of this order shall be given to the general public by depositing a copy hereof in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director of the Division of the Federal Register.

By the Commission, Division 2.

[SEAL] GEORGE W LAIRD,
Secretary.

[F. R. Doc. 54-7327; Filed, Sept. 17, 1954; 8:48 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 984]

HANDLING OF WALNUTS GROWN IN CALIFORNIA, OREGON, AND WASHINGTON

CONTROL PERCENTAGES

Notice is hereby given that the Department is considering the issuance of the administrative rule set forth herein pursuant to the provisions of Marketing Agreement No. 105 and Order No. 84, as amended, regulating the handling of walnuts grown in California, Oregon, and Washington (19 F R. 4214) effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.)

Prior to the final issuance of such administrative rule, consideration will be given to data, views, or arguments, pertaining thereto which are submitted in writing to the Director, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C., and which are received not later than the close of business on September 29, 1954.

The Walnut Control Board, the administrative agency for the agreement and order, at a duly called meeting in Los Angeles on August 20, 1954, pursuant to provisions of the agreement and order, submitted estimates and its recommendation as to control percentages for the 1954–55 marketing year. Since the Board actions on August 20, the Crop Reporting Board has issued its report as of September 1, increasing its forecast of walnut production in 1954 from 154,400,000 pounds to 161,000,000 pounds, which indicates an increase in merchantable unshelled walnut production from 109,150,000 pounds to 113,827,000 pounds.

The Board's estimates in regard to control percentages for merchantable unshelled walnuts, modified, where appropriate, in accordance with the crop report of September 1, are as follows:

(1) Merchantable unshelled walnut production during the 1954–55 marketing year 113,827,000 pounds;

(2) Handler carryover of merchantable walnuts on August 1, 1954, 10,656,000 pounds of which 10,630,000 pounds were certified for handling during the 1953–54 marketing year;

(3) Trade demand during the 1954–55 marketing year for merchantable unshelled walnuts 75,000,000 pounds.

According to the estimates, the merchantable free quantity of unshelled walnuts which may be sold in normal domestic outlets in 1954–55, resulting from the application of the Board's recommended merchantable free percentage of 70 to the merchantable production plus the uncertified handler carryover, when added to the certified handler carryover on August 1, 1954, will provide a sufficient quantity to satisfy estimated trade demand and leave adequate handler carryover stocks on August 1, 1955.

On the basis of the Board's estimates and other available information, its recommendation as to merchantable free, merchantable restricted, and merchantable allocation percentages for unshelled walnuts, of 70, 30, and 43 respectively are herein proposed for adoption.

The Board also submitted estimates expressed in pounds of sound kernel weight, relating to the control of surplus, for the 1954–55 marketing year. Its recommended percentages relating to surplus control were as follows: Marketable percentage 90, surplus percentage 10, and diversion percentage 11.1.

It is believed that the Board's estimates of August 20 in respect to surplus control, in which the Department's August walnut production forecast was adopted should be modified in accordance with the September crop report. The Board's estimate of 23,000,000 pounds as the trade demand for domestic shelled walnuts for the 1954–55 marketing year is believed to be too low, chiefly because production of shelled pecans, a competitor of shelled walnuts in some important outlets, is expected to be far below that of 1953–54. The 1954–55 trade demand for domestic walnuts is estimated in the following computation at 24,000,000 pounds. Also, the carryover stocks of shelled walnuts on August 1, 1955, are herein estimated at 3,000,000 pounds instead of 1,820,000 pounds used in the Board's computations of August 20.

Following is a summary of the supply and demand situation in respect to control of surplus, with the above indicated modifications of the Board's estimates, which is the basis for the marketable percentage of 92, surplus percentage of 8 and diversion percentage of 8.7, included in the herein proposed rule:

	Shelled pounds
(1) Sound kernel weight represented by the merchantable unshelled free percentage of 70 applied to merchantable supply subject to regulation	33,472,782
(2) Total shelled walnuts subject to regulation, including 1,020,000 pounds unsold carryin by handlers, Aug. 1, 1954	28,790,700
(3) Total supply subject to regulation (item 1+item 2)	62,263,572
(4) Estimated trade demand for domestic shelled walnuts	24,000,000
(5) Trade demand for shelled walnuts adjusted for 3,136,000 pounds sold carryin of handlers on Aug. 1, 1954, and estimated carryout Aug. 1, 1955 of 3,000,000 pounds (item 4 adjusted)	23,864,000
(6) Total adjusted demand (item 4+item 5)	57,336,782
	Percent
(7) Marketable percentage (item 6—item 3)	92
(8) Surplus percentage (100—item 7)	8
(9) Diversion percentage (item 8—item 7)	8.7

Therefore, the proposed administrative rule is as follows:

§ 984.206 *Control, merchantable allocation, and diversion percentages, for walnuts during the marketing year beginning August 1, 1954.* During the marketing year beginning August 1, 1954, the following percentages shall be in effect: Merchantable free percentage, 70; merchantable restricted percentage, 30; merchantable allocation percentage, 43; marketable percentage, 92; surplus percentage, 8; and diversion percentage, 8.7.

Issued at Washington, D. C., this 15th day of September 1954.

[SEAL] G. R. GRANGE,
Acting Director,
Fruit and Vegetable Division.

[F. R. Doc. 54-7351; Filed, Sept. 17, 1954; 8:54 a. m.]

[7 CFR Part 993]

HANDLING OF DRIED PRUNES PRODUCED IN CALIFORNIA

SCHEDULE OF PAYMENTS TO HANDLERS TO COMPENSATE THEM FOR NECESSARY SERVICES IN CONNECTION WITH SURPLUS TONNAGE PRUNES

Pursuant to the authority vested in the Secretary of Agriculture by the provisions of § 993.61 (f) of Marketing Agreement No. 110, as further amended, and Order No. 93, as further amended (19 F. R. 1301) regulating the handling of dried prunes produced in California, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) the Secretary of Agriculture is considering a rule approving an amended schedule of payments, as hereinafter set forth, to compensate handlers for necessary services rendered by them in connection with surplus tonnage prunes, the said schedule having been proposed by the Prune Administrative Committee and submitted to the Secretary for his approval.

Prior to final approval by the Secretary of such schedule of payments, consideration will be given to any written data, views, or arguments pertaining thereto which are filed in triplicate with the Director, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C., and received not later than the close of business on the tenth day after the date of the publication of this notice in the FEDERAL REGISTER, except that if said tenth day after publication should fall on a holiday, Saturday, or Sunday, such submission must be received by the Director not later than the close of business on the next following business day.

The principal factor tending to support the proposed rule, which would increase the rates of payments to handlers for the aforesaid necessary services approximately 20 percent over the rates established by the Prune Administrative Committee on December 9, 1949 and approved March 30, 1950 by the then Secretary of Agriculture as § 993.201 (15 F. R. 1888) is that of increased labor costs of handlers since the schedule of payments now in effect was established. The schedule of payments set forth in the proposed rule, if approved by the Secretary, would be applicable to payments to handlers for necessary services with respect to surplus tonnage dried prunes received and stored by a handler for the account of the Prune Administrative Committee on or after August 1, 1954.

It is proposed to change the numbering of existing § 993.201 to § 993.401 and to amend said section to read as follows:

§ 993.401 *Schedule of payments to handlers for necessary services rendered by them in connection with surplus tonnage prunes.* (a) Surplus tonnage prunes which producers and dehydrators tender to a handler shall be held by him in proper storage until the committee shall have relieved him of the obligation of such holding.

(b) For standard prunes of the surplus tonnage, the handler so holding such prunes, who performs the necessary services thereon for the committee, shall be reimbursed, except as provided in paragraphs (c) and (e) of this section, at the rate of $18.00 per ton for the following service costs:

(1) Acquisition costs, including, but not limited to, those for salaries, commissions or brokerage fees, transportation and handling between plants and receiving stations, and other costs, including container expense incidental to acquisition or storage;

(2) Direct labor costs, including, but not limited to, those for receiving, grading, preliminary sorting and storing, including that performed by the handler at receiving station, and loading for shipment; and

(3) Plant overhead costs, including but not limited to, superintendence and indirect labor, payroll taxes and compensation insurance, fuel, power and water, taxes and insurance on facilities, depreciation and rent, repairs and maintenance, and factory supplies and expense.

(c) A handler may, at any time, demand removal by the committee of surplus tonnage held by him. With respect to surplus tonnage prunes of any crop year, if the handler demands removal of standard prunes of such surplus tonnage prior to December 1 of the crop year, such handler automatically waives payment for any and all charges as set forth in this section. If such demand is made during December or January of the crop year, the handler making such demand shall receive payment for 50 percent of the total charges as set forth in this section. If a handler demands removal by the committee of such surplus during February of the crop year, he shall receive payment for 60 percent of such total charges; if during March of the crop year, 70 percent; if during April of the crop year, 80 percent; if during May of the crop year, 90 percent; and if during any month thereafter, 100 percent of such total charges.

(d) For substandard prunes of the surplus tonnage which a handler holds for the account of the committee, such handler shall receive payment for services performed, including, but not limited to, transportation from receiving points, in and out charges, and the placing of prunes in containers furnished by the committee, at the rate of $10.00 per ton for each ton so held, except that on any tonnage of such substandard prunes of which the handler demands removal by the committee prior to December 1 of the crop year, any and all payments due thereon shall automatically be waived by such handler.

(e) Each handler holding surplus tonnage for the account of the committee shall maintain proper insurance thereon, including fire and extended coverage, in valuations according to grade and size differentials as the committee shall establish and such handler shall be reimbursed for the actual cost of such insurance.

Issued this 15th day of September 1954.

[SEAL] G. R. GRANGE,
Acting Director,
Fruit and Vegetable Division.

[F. R. Doc. 54-7323; Filed, Sept. 17, 1954; 8:47 a. m.]

Commodity Stabilization Service

[7 CFR Part 722]

1955 CROP OF EXTRA LONG STAPLE COTTON

NOTICE OF DETERMINATIONS TO BE MADE WITH RESPECT TO A NATIONAL MARKETING QUOTA, NATIONAL, STATE, AND COUNTY ACREAGE ALLOTMENTS, AND FORMULATION OF REGULATIONS PERTAINING TO FARM ACREAGE ALLOTMENTS FOR THE 1955 CROP OF EXTRA LONG STAPLE COTTON

Pursuant to the authority contained in applicable provisions of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301–1376) the Secretary of Agriculture is preparing to determine whether a national marketing quota is required to be proclaimed for the 1955 crop of extra long staple cotton, to provide for conversion of such quota into a national acreage allotment in accordance with section 344 (a) of the act, and to formulate regulations for apportioning the national acreage allotment to States and the State acreage allotments to counties, and for establishing farm acreage allotments. Pertinent parts of the provisions of the act which are applicable to these determinations and formulations are as follows:

SEC. 347. (a) Except as otherwise provided by this section, the provisions of this part shall not apply to extra long staple cotton which is produced from pure strain varieties of the Barbadense species, or any hybrid thereof, or other similar types of extra long staple cotton designated by the Secretary having characteristics needed for various end uses for which American upland cotton is not suitable, and grown in irrigated cotton-growing regions of the United States designated by the Secretary or other areas designated by the Secretary as suitable for the production of such varieties or types.

(b) Whenever during any calendar year, not later than October 15, the Secretary determines that the total supply of cotton described in subsection (a) for the marketing year beginning in such calendar year will exceed the normal supply thereof for such marketing year by more than 8 per centum, the Secretary shall proclaim such fact and a national marketing quota shall be in effect for the crop of such cotton produced in the next calendar year. The Secretary shall also determine and specify in such proclamation the amount of the national marketing quota in terms of the quantity of cotton described in subsection (a) adequate to make available a normal supply of such cotton, taking into account (1) the estimated carry-over at the beginning of the marketing year which begins in the next calendar year, and (2) the estimated imports during such marketing year. The national marketing quota for cotton described in subsection (a) for any year shall not be less than the larger of 30,000 bales or a number of bales equal to 30 per centum of the estimated domestic

consumption plus exports of such cotton for the marketing year beginning in the calendar year in which such quota is proclaimed.

(c) All provisions of this Act, except section 342, subsections (h), (k), and (l) of section 344, the parenthetical provisions relating to acreages regarded as having been planted to cotton, and the provisions relating to minimum small farm allotments, shall, insofar as applicable, apply to marketing quotas and acreage allotments authorized by this section * * *

SEC. 301 (b) (16) (C) "Total supply" of cotton for any marketing year shall be the carry-over at the beginning of such marketing year, plus the estimated production of cotton in the United States during the calendar year in which such marketing year begins and the estimated imports of cotton into the United States during such marketing year.

(3) (B) "Carry-over" of cotton for any marketing year shall be the quantity of cotton on hand in the United States at the beginning of such marketing year, not including any part of the crop which was produced in the United States during the calendar year then current.

(10) (C) The "normal supply" of cotton for any marketing year shall be the estimated domestic consumption of cotton for the marketing year for which such normal supply is being determined, plus the estimated exports of cotton for such marketing year, plus 30 per centum of the sum of such consumption and exports as an allowance for carry-over.

For purposes of the supply determinations required to be made under section 347 (b) of the act, (1) the term "extra long staple cotton" refers to all American Egyptian, Sea Island (in both the continental United States and Puerto Rico) and Sealand cotton, and to all similar type cotton imported from Egypt, Anglo-Egyptian Sudan, and Peru and (2) the term "carry-over" does not include the stocks of extra long staple cotton acquired pursuant to, or under the authority of, the Strategic and Critical Materials Stockpiling Act.

In the event the Secretary determines that a national marketing quota for the 1955 crop of extra long staple cotton is required to be proclaimed pursuant to section 347 (b) of the act, such quota will be converted into a national acreage allotment in accordance with section 344 (a) of the act, which reads in pertinent part as follows:

Whenever a national marketing quota is proclaimed * * * the Secretary shall determine and proclaim a national acreage allotment for the crop of cotton to be produced in the next calendar year. The national acreage allotment for cotton shall be that acreage, based upon the national average yield per acre of cotton for the 5 years immediately preceding the calendar year in which the national marketing quota is proclaimed, required to make available from such crop an amount of cotton equal to the national marketing quota.

If a national acreage allotment is proclaimed for the 1955 crop of extra long staple cotton, such allotment would be apportioned to the States as provided by section 344 (b) of the act and Public Law 28, 81st Congress (63 Stat. 17) on the basis of the acreage planted to extra long staple cotton during the five calendar years 1948, 1950, 1951, 1952, and 1953, with adjustments for abnormal weather conditions during such period.

It is expected that the regulations pertaining to the apportionment of the State acreage allotment among counties and the county acreage allotment among farms will be substantially the same as the regulations issued with respect to the 1954 crop of extra long staple cotton, including amendments (18 F R. 7883, 8109; 19 F R. 1137, 1561) Public Law 290, 83d Congress, approved January 30, 1954, amended the act to provide for making adjustments, beginning with the 1955 crop, in farm acreage allotments to correct inequities and to prevent hardship. This is one of the purposes provided by law for using State and county acreage reserves. Farm acreage allotments for the 1954 crop of extra long staple cotton were determined under the Agricultural Adjustment Act of 1938, as amended, by multiplying the adjusted cropland for the farm by a uniform county (or administrative area) cropland factor. Section 344 (f) of the act, as amended by Public Law 290 and by Public Law 690, 83d Congress, approved August 28, 1954, provides, beginning with the 1955 crop of cotton, for apportioning the county acreage allotment, less the county acreage reserve, among farms on which extra long staple cotton has been planted in any one of the three years immediately preceding the year for which such allotment is determined on the basis of the acreage planted to cotton on the farm during such three-year period, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county acreage allotment among farms in the county. It is expected that all county committees will carefully consider the authorization in the law to apportion the county acreage allotment, less the county acreage reserve, among farms on the basis of cotton acreage history during the three preceding years rather than on the basis of cropland, as described above. Under Public Law 690, county committees will have wider latitude in establishing farm cotton acreage allotments on a history basis under section 344 (f) (6) of the Agricultural Adjustment Act of 1938, as amended, in that they may in their discretion limit any farm acreage allotment established on the basis of cotton acreage history during the three preceding years to an acreage not in excess of 50 percent of the cropland on the farm.

It is expected that the Secretary's authority to approve or disapprove recommendations of county committees regarding apportionment of the county acreage allotment among farms on the basis of cotton acreage history will be redelegated to the Deputy Administrator for Production Adjustment, Commodity Stabilization Service, and that the Deputy Administrator will issue such instructions as may be necessary for carrying out this new provision of law. In this connection, it appears that it will be necessary for the Deputy Administrator to set a closing date for such recommendations to be filed in order that the many computations and determinations incident to the establishment of farm acreage allotments may be completed and allotment notices issued to farm operators prior to the referendum which is required by the Act to be held not later than December 15, 1954.

It is proposed to change the provisions which were contained in the 1954 regulations regarding the reconstitution of farms. Under one proposal being considered, where reconstitution of farms are made for 1955 after farm acreage allotments for 1955 are established prior to the referendum, the allotments for the reconstituted farms would be determined on the basis of the revised data, provided notice of the change in land in the farm is received in the county ASC office by a closing date which will be a date prior to the general date for preparing land for cotton production. In cases where the county ASC office is not advised of the change in land in the farm by the closing date, the same procedure would be followed in establishing the farm acreage allotments for the reconstituted farms, except that (1) in the case of subdivisions the allotments for the several tracts could not exceed the allotment previously established for the parent farm, and (2) in the case of a combination (a) the allotment for the reconstituted farm could not exceed the sum of the allotments for the several tracts comprising the reconstituted farm, and (b) the allotment for the reconstituted farm would be subject to the maximum farm allotment provision if it is applicable in the county. Under another proposal being considered, where reconstitutions of farms are made for 1955 after farm acreage allotments for 1955 are established prior to the referendum, the allotments for all reconstituted farms would be established as follows: (1) In the case of subdivisions the allotments for the several tracts could not exceed the allotment previously established for the parent farm, and (2) in the case of a combination (a) the allotment for the reconstituted farm could not exceed the sum of the allotments for the several tracts comprising the reconstituted farm, and (b) the allotment for the reconstituted farm would be subject to the maximum farm allotment provision if it is applicable in the county.

It is the Secretary's intention to delay the determinations provided for in section 347 of the act until the October 8, 1954, cotton report of the Crop Reporting Board of the Department is issued in order that the latest available data may be used. In the meantime, it is expected that the regulations discussed above will be issued subject to the condition that they shall become ineffective for purposes of the marketing quota program in the event a national marketing quota for the 1955 crop of extra long staple cotton is not proclaimed by October 15, 1954.

Prior to making any of the foregoing determinations with respect to the national marketing quota, the national acreage allotment, the apportionment of the national acreage allotment to States and the State acreage allotments to counties, and the formulation of regulations for the establishment of farm acreage allotments for the 1955 crop of extra long staple cotton, consideration will be given to any data, views, and recom-

mendations pertaining thereto which are submitted in writing to the Director, Cotton Division, Commodity Stabilization Service, United States Department of Agriculture, Washington 25, D. C. within fifteen days following the publication of this notice in the FEDERAL REGISTER. The date of the postmark will be considered as the date of any submission.

Done at Washington, D. C. this 16th day of September 1954.

[SEAL] J. A. McCONNELL, *Administrator*

[F. R. Doc. 54-7400; Filed, Sept. 17, 1954; 8:53 a. m.]

[7 CFR Parts 815, 816, 819]

SUGAR AND LIQUID SUGAR PRODUCED FROM SUGAR BEETS AND SUGARCANE GROWN IN CONTINENTAL U. S.

REQUIREMENTS RELATING TO MARKETING

Notice is hereby given that the Secretary of Agriculture, pursuant to authority vested in him by the Sugar Act of 1948, as amended (61 Stat. 922 as amended by 65 Stat. 318; 7 U. S. C. Sup. 1100) is considering the revision of Sugar Regulations 815, 816 and 819 as hereinafter proposed as those regulations relate to mainland sugar (sugar and liquid sugar produced from sugar beets and sugarcane grown in the continental United States)

The purposes of the revision are: (1) To revise the requirements relating to the marketing of mainland sugar, and (2) to clarify and restate in one regulation (Sugar Regulation 815) all of the requirements relating to the marketing of such mainland sugar, including that which is exempt from the quota provisions of the act.

Proposed changes. This proposed revision combines and restates pertinent provisions of the existing Sugar Regulations 815, 816 and 819 into Sugar Regulation 815. Those provisions of Sugar Regulations 816 and 819 applicable to sugar or liquid sugar from offshore areas would continue in effect with respect thereto until revised.

Under the proposed revision a section is added to clarify the relationship of "marketing" to the prohibitions set forth in subsections (b) and (d) of section 209 of the Sugar Act. Another section is added to formally establish the necessary reporting requirements. The provisions for furnishing bonds to cover certain transactions are simplified to permit the use of either term-bonds under which several obligations may be authorized as occasion demands or separate bonds for individual marketings.

All persons who desire to submit written data, views or arguments for consideration in connection with the proposed regulation shall file the same in quadruplicate with the Director of the Sugar Division, Commodity Stabilization Service, U. S. Department of Agriculture, Washington 25, D. C. All submissions must be postmarked not later than 15 days from the date of the publication of this notice in the FEDERAL REGISTER.

Basis and purpose. The regulations in §§ 815.1 through 815.8 issued pursuant to the Sugar Act of 1948, as amended, govern the handling of sugar or liquid sugar produced from domestic sugar beets and mainland sugarcane under the prohibitions set forth in subsections (b) and (d) of section 209 of that act. They also provide the method for exempting sugar produced from such beets or sugarcane from quotas when marketed pursuant to item (4) of section 212 of the Sugar Act of 1948, as amended.

These regulations apply to processors and refiners with respect to all sugar and liquid sugar they produce or refine from domestic sugar beets and mainland sugarcane. They also apply to any person who acquires such sugar or liquid sugar for the distillation of alcohol or for livestock feed or for the production of livestock feed.

The proposed Sugar Regulation 815 is as follows:

Sec.
815.1 Definitions.
815.2 When marketings occur.
815.3 Effect of marketings on quotas and allotments.
815.4 Restrictions on marketing without specific authorizations.
815.5 Requirement for bonds.
815.6 Provisions of bond.
815.7 Records and reports.
815.8 Delegation of authority.

AUTHORITY: §§ 815.1 to 815.9 issued under sec. 403, 61 Stat. 932; 7 U. S. C. Sup. 1153. Interpret or apply secs. 205, 209, 212; 61 Stat. 926, 928, 929; 7 U. S. C. Sup. 1116, 1119, 1122.

§ 815.1 *Definitions.* As used in this part:

(a) The term "act" means the Sugar Act of 1948, as amended (61 Stat. 922; 65 Stat. 318; 7 U. S. C., Sup. 1100)

(b) The term "person" means an individual, partnership, corporation, association, estate, trust or other business enterprise or legal entity, and, wherever applicable, a State, political subdivision of a State, the Federal government, or any agency thereof.

(c) The term "mainland sugar" means sugar or liquid sugar, as defined in section 101 of the act, processed from sugar beets grown in the domestic beet sugar area, from sugarcane grown in the mainland cane sugar area.

(d) The term "processor" means any person who manufactures "mainland sugar" as defined in this part or any person for whose account mainland sugar is manufactured by another person.

(e) The term "refiner" means any person who acquires mainland raw or liquid sugar from a processor for refining or otherwise improving the quality of such mainland sugar. (The same person may be both a "processor" and a "refiner").

(f) The term "Department" means the United States Department of Agriculture.

(g) The term "Secretary" means the Secretary of Agriculture of any officer or employee of the Department to whom the Secretary has delegated authority in this part to act in his stead.

(h) The term "quota" means any calendar year quota established in Part 811 of this chapter for the domestic beet sugar area or the mainland cane sugar area.

(i) The term "allotment" means the portion of a quota established for a processor in Part 814 of this chapter.

§ 815.2 *When marketings occur.* (a) Except as provided in paragraphs (b) and (c) of this section mainland sugar shall be deemed to be marketed whenever pursuant to a contract of sale one of the following actions first occurs:

(1) The processor physically delivers mainland sugar to a buyer.

(2) The processor physically delivers mainland sugar to a carrier for shipment to a buyer.

(3) The processor endorses and delivers to a buyer a negotiable warehouse receipt or an order bill of lading covering mainland sugar.

(4) A public warehouseman issues and delivers to a buyer at the processor's request a warehouse receipt (negotiable or non-negotiable) or a warehouse delivery advice covering mainland sugar.

(5) The processor transfers and delivers to a buyer a non-negotiable warehouse receipt covering mainland sugar, and the warehouseman acknowledges to such buyer that he is holding such sugar for the account of such buyer.

(6) The processor and the buyer prior to December 31 of any year certify to the Secretary on a form prescribed by him that a specified quantity of mainland sugar in possession of the processor at the close of business on December 31 will be physically delivered to the buyer on or before February 28 of the following year and physical delivery is made on or before February 28.

(b) Mainland sugar used by the processor or caused to be used in activities under his control for food or feed or for the production or manufacture of food or feed or other articles of commerce shall be deemed to be marketed at the time that such use occurs.

(c) Mainland sugar principally not of crystalline structure (such as beet molasses) sold to a processor who is a refiner, and used for the production of sugar principally of crystalline structure or liquid sugar as defined in section 101 of the act, shall be deemed to be marketed when the crystalline sugar or liquid sugar so produced is first subject to one of the actions described in paragraphs (a) and (b) of this section.

§ 815.3 *Effect of marketings on quotas and allotments.* Each marketing, as described in § 815.2, of mainland sugar shall be effective for the purpose of filling the applicable quota and allotment at the time it occurs except as follows:

(a) A marketing of mainland sugar under a bond accepted pursuant to § 815.5 for further processing, refining and storage shall be effective for the purpose of filling the applicable quota and allotment upon the release of the bond or at the time the Secretary determines that a breach of a condition of the bond has occurred.

(b) A marketing of mainland sugar under a bond accepted pursuant to § 815.5 for the distillation of alcohol, or for livestock feed or for the production of live-

stock feed, shall be effective for the purpose of filling the applicable quota and allotment at the time the Secretary determines that a breach of a condition of the bond has occurred.

§ 815.4 *Restrictions on marketing.* The quantity of mainland sugar marketed by a processor and effective during any calendar year for the purpose of filling his allotment as provided in § 815.3 shall not exceed the quantity determined in Part 814 of this chapter to be the allotment of such processor for that year. In the absence of allotments, when the Secretary determines and gives public notice that prior authorizations are required to prevent the quota determined in Part 811 of this chapter from being exceeded, a processor shall not market mainland sugar until authorized by the Secretary in writing.

§ 815.5 *Requirement for bonds.* Paragraphs (a) and (b) of § 815.3 shall not apply to marketing of mainland sugar unless the processor first makes application to and receives the approval of the Secretary on a form prescribed by the Secretary, and unless the person to whom such sugar is delivered furnishes a bond satisfactory to the Secretary in the amount and subject to the conditions and provisions as provided in § 815.6.

§ 815.6 *Provisions of bond*—(a) *Principal and surety.* Only a refiner may be the principal on a bond for the purpose of further processing or refining and storage of mainland sugar. Any person having an interest in mainland sugar to be used for distillation of alcohol, for livestock feed, or for the production of livestock feed may be the principal on a bond for such purposes. The surety or sureties shall be among those listed by the Secretary of the Treasury as acceptable on Federal bonds.

(b) *Amount.* The amount of the bond shall not be less than the sum of the obligations with respect to all marketings of sugar covered at any one time thereunder. The amount of the obligation with respect to each marketing of sugar covered under a bond furnished under this part shall be the daily "spot" price (Cuban in bond equivalent) per pound of raw sugar for consumption in the continental United States determined by the New York Coffee and Sugar Exchange on the last business day before the date of request to the Secretary for approval of the bond, multiplied by the weight in pounds of the sugar comprising each marketing. The amount of the bond with respect to liquid sugar shall be computed upon the basis of the same price per pound, ascertained as heretofore stated in this paragraph, multiplied by the pounds of the "total sugar content," as defined in the act, of the sugar comprising each marketing.

(c) *Conditions.* Any bond furnished pursuant to this part shall provide for payment to the United States of the amount of the obligation under the bond upon default in whole or in part in any of the following conditions:

(1) That mainland sugar marketed as provided in § 815.3 (a) for refining and storage shall thereafter be held by the refiner until release thereof within the applicable quota or allotment is authorized by the Secretary, or that mainland sugar marketed as provided in § 815.3 (b) for the distillation of alcohol or for livestock feed, or for the production of livestock feed shall be used for such purpose within six months after the date of such marketing or within such extension of time thereafter as the Secretary shall specify.

(2) That the United States shall be reimbursed for expenses incurred by the Department for the supervision and control of the sugar covered under the bond until release of the bond by the Secretary.

(d) *Duration of bond.* Any obligation under a bond furnished pursuant to this part shall provide that it will remain in full force and effect until the Secretary shall notify the principal and surety of the release thereof.

§ 815.7 *Records and reports.* (a) Each person subject to the provisions of this part shall keep and preserve, for a period of five years following the end of the calendar year in which the mainland sugar is marketed, an accurate record of all marketings of mainland sugar together with all documents which give evidence of the production, conversion, use, marketing, movement, storage and losses of such sugar or liquid sugar. Upon request by any authorized employee of the Department, such records shall be made freely available for examination by such employee during regular working hours of any business day.

(b) Each person subject to the provisions of this part shall make application for authorizations provided for in this part and shall report information as and when required by the Secretary on forms specified by him and approved by the Bureau of the Budget under the Federal Reports Act of 1942.

§ 815.8 *Delegation of authority.* The Director or Deputy Director of the Sugar Division, or the Chief of the Quota and Allotment Branch thereof, Commodity Stabilization Service of the Department, is authorized to act for and on behalf of the Secretary in administering this part.

Rescission of prior regulations. The regulations in this part as herein revised shall supersede prior Sugar Regulation 815 (13 F. R. 1076, 14 F R. 466) and Sugar Regulations 816 (14 F R. 2163) and 819 (13 F R. 2063, 14 F R. 466) insofar as Sugar Regulations 816 and 819 apply to mainland sugar as herein defined.

Issued at Washington, D. C., this 15th day of September 1954.

[SEAL] J. A. McCONNELL,
Administrator

[F. R. Doc. 54-7352; Filed, Sept. 17, 1954; 8:54 a. m.]

DEPARTMENT OF LABOR

Wage and Hour Division

[29 CFR Parts 701, 711, 712, 713]

[Administrative Order No. 440]

SPECIAL INDUSTRY COMMITTEES NOS. 16-A, 16-B AND 16-C FOR PUERTO RICO

APPOINTMENTS TO INVESTIGATE CONDITIONS AND RECOMMEND MINIMUM WAGES FOR CERTAIN INDUSTRIES

1. Pursuant to authority under the Fair Labor Standards Act of 1938, as amended (52 Stat. 1060, as amended 29 U. S. C., and Sup. 201 et seq.) I, Wm. R. McComb, Administrator of the Wage and Hour Division, United States Department of Labor, do hereby appoint and convene Special Industry Committees Nos. 16-A, 16-B and 16-C for Puerto Rico.

Special Industry Committee No. 16-A appointed to investigate conditions in and recommend minimum wages for the Electrical, Instrument, and Related Manufacturing Industries in Puerto Rico, is composed of the following representatives:

For the public: Candido Oliveras, Santurce, P. R., chairman; Martin P. Catherwood, Ithaca, N. Y., Ramon Cancio, Santurce, P. R.

For the employees: James B. Carey, Washington, D. C., Albert Epstein, Washington, D. C., David Sternback, San Juan, P R.

For the employers: Ira B. Stiefel, Pittsburgh, Pa., Adrian P. Higgs, Roosevelt, P. R., Gerald F. Weis, Dayton, Ohio.

Special Industry Committee No. 16-B, appointed to investigate conditions in and recommend minimum wages for the Metal, Machinery, Transportation Equipment, and Allied Industries in Puerto Rico, is composed of the following representatives:

For the public: Candido Oliveras, Santurce, P. R., chairman; Martin Catherwood, Ithaca, N. Y., Ramon Cancio, Santurce, P. R.

For the employees: James B. Carey, Washington, D. C., Albert Epstein, Washington, D. C., David Sternback, San Juan, P R.

For the employers: Ira B. Stiefel, Pittsburgh, Pa., Adrian P. Higgs, Roosevelt, P. R., Jose F. Abarca, San Juan, P. R.

Special Industry Committee No. 16-C, appointed to investigate conditions in and recommend minimum wages for the Plastic Products Industry in Puerto Rico, is composed of the following representatives:

For the public: Candido Oliveras, Santurce, P. R., chairman; Martin P. Catherwood, Ithaca, N. Y., Ramon Cancio, Santurce, P. R.

For the employees: James B. Carey, Washington, D. C., Albert Epstein, Washington, D. C.; Miguel Garriga, Santurce, P R.

For the employers: Ira B. Stiefel, Pittsburgh, Pa., Lester O. Hardman, Rio Piedras, P. R., Samuel Seltzer, Rio Piedras, P. R.

2. Special Industry Committees Nos. 16-A, 16-B and 16-C are herein created in accordance with the provisions of the Fair Labor Standards Act, as amended, and the regulations promulgated thereunder (Title 29, Chapter V, Code of Federal Regulations, Part 511) Special Industry Committee No. 16-A shall meet

beginning on October 19, 1954 at 10:00 a. m. in Room 412, New York Department Store Building, Stop 16½, Ponce de Leon Avenue, Santurce, Puerto Rico, to investigate conditions in the Electrical, Instrument, and Related Manufacturing Industries in Puerto Rico. Immediately thereafter, Special Industry Committee No. 16–B shall meet to investigate conditions in the Metal, Machinery, Transportation Equipment, and Allied Industries in Puerto Rico, and immediately thereafter, Special Industry Committee No. 16–C shall investigate conditions in the Plastics Products Industry in Puerto Rico. Upon the completion of their investigations, each Industry Committee shall recommend to the Administrator a minimum wage rate or rates for employees in the Industry in Puerto Rico who, within the meaning of the said act, are "engaged in commerce or in the production of goods for commerce" excepting employees exempt by virtue of the provisions of section 13 (a) and employees coming within the provisions of section 14. Minimum wage rates recommended by each Committee shall be the highest rates (not in excess of 75 cents per hour) which it determines will not substantially curtail employment in such industries and will not give any industry in Puerto Rico a competitive advantage over any industry in the United States outside of Puerto Rico.

3. For the purpose of the order these industries are defined as follows:

Electrical, instrument, and related manufacturing industries. The manufacture, assembly, or repair of machinery, apparatus, equipment and supplies for the generation, storage, transmission, transformation or utilization of electrical energy and the manufacture, assembly, or repair of instruments, apparatus, and equipment for scientific, professional, industrial-measurement, photographic, musical or horological purposes: *Provided, however* That the definition shall not include (i) industrial and commercial machinery powered by electric motors, (ii) measuring-and-dispensing pumps, or (iii) any activity included in the Clay and Clay Products Industry, the Jewel Cutting and Polishing Industry, or the Stone, Glass, and Related Products Industry, as defined in the wage orders for those industries in Puerto Rico.

Metal, machinery, transportation equipment, and allied industries. The mining or other extraction of metal ore and the further processing of such ore into metal; the manufacture (including repair) of any product or part made wholly or chiefly of metal; and the manufacture from any material of machinery, tools, transportation equipment, and ordnance: *Provided, however,* That the definition shall not include (1) the production of any basic material other than metal; (2) the further processing of any basic material other than metal except when done by an establishment producing from such materials a product of these industries or subassembly of such product; (3) the building and repairing (including painting) of ocean-going ships when performed in dry docks or shipyards; (4) any activity included within the Button, Buckle, and Jewelry Industry or the Shoe Manufacturing and Allied Industries as defined in the wage orders for those industries; (5) or any activity included within the Electrical, Instrument, and Related Manufacturing Industries as defined in the Administrative Order No. 440 appointing Special Industry Committees Nos. 16–A, 16–B, and 16–C for Puerto Rico. This definition supersedes the definition of the Decorations and Party Favors Industry with respect to the manufacture of articles other than those made from metallic chenille, foil, or tinsel.

Plastic products industry. The manufacture of molded or other fabricated plastic products. *Provided, however,* That the definition shall not include (1) the manufacture of primary plastic materials such as sheets, rods, tubes, granules, powders, or liquids, (2) the sawing, cutting, grinding, polishing, and other processing of synthetic jewels for industrial use, (3) the manufacture of buttons, buckles, and jewelry (including rosaries), and jewelry findings (including beads), (4) the manufacture from pliable plastics in sheet or film form of ornaments and decorations for Christmas and other holidays, party favors and souvenirs, and similar items primarily ornamental or decorative in character; (5) or any activity included in the Leather, Leather Goods, and Related Products Industry; the Paper, Paper Products, Printing, Publishing and Related Industries; the Shoe Manufacturing and Allied Industries; or the Textile and Textile Products Industry, as defined in the wage orders for these industries in Puerto Rico; or in the Needlework and Fabricated Textile Products Industry, the Men's and Boys' Clothing and Related Products Industry or the Corsets, Brassieres, and Allied Garments Industry, as defined in Administrative Order No. 433 appointing Special Industry Committee No. 15 for Puerto Rico. This definition supersedes the definition for the Decorations and Party Favors Industry with respect to the manufacture of plastic articles other than those made from pliable sheet or film.

Signed at Washington, D. C., this 14th day of September 1954.

WM. R. McCOMB,
Administrator Wage and Hour Division, Department of Labor

[F. R. Doc. 54-7402; Filed, Sept. 17, 1954; 8:53 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Parts 230, 240]

RULES UNDER SECURITIES ACT OF 1933 AND SECURITIES EXCHANGE ACT OF 1934

PROPOSED AMENDMENTS

Notice is hereby given that the Commission has under consideration proposed amendments to its rules and forms under the Securities Act of 1933 and the Securities Exchange Act of 1934.

On August 10, 1954, President Eisenhower signed Public Law 577, effective October 10, 1954. Public Law 577 reflects the first major changes in the Federal securities acts in over a decade. The most important change involves section 5 of the Securities Act of 1933. Other amendments to that statute and to the Trust Indenture Act of 1939 and the Investment Company Act of 1940 were enacted as necessary to accommodate the provisions of those acts to the amendment of section 5.

The amendment of section 5 and the related changes have to do principally with the mechanics of distribution of securities. The act, before the amendment takes effect, makes unlawful the offer or sale of a security to the public by mail or instrumentality of interstate commerce prior to the effectiveness of a registration statement in respect of the security. It has been contended for many years that the free flow of information concerning a new issue during the period between the filing and effectiveness of a registration statement has been limited because of the fear on the part of underwriters and dealers that communication with prospective customers might be construed to be illegal "offers" of a security. Despite administrative steps taken in the past by the Commission to encourage issuers and underwriters to disseminate the information contained in the registration statement during the waiting period, this objective was not fully achieved.

Public Law 577 will permit the making of written offers to sell and solicitations of offers to buy during the waiting period by means of a preliminary prospectus filed with the Commission prior to its use. In other respects it will expand the authority of the Commission to permit the use of written material in addition to the full prospectus in connection with the offering of securities for sale. The amendment, however, will continue to prohibit the sale of securities or the making of contracts to sell or contracts of sale prior to the effective date of the registration statement.

There are set forth below proposed amendments to the rules and regulations under the Securities Act of 1933 and the Securities Exchange Act of 1934 which are designed primarily to conform existing rules to the changes in those statutes made by the enactment of Public Law 577 and to permit a smooth administrative transition to the amended statutes. It is deemed necessary promptly to release the proposals indicated below in order that the Commission may have the benefit of the comments and views of interested persons in sufficient time to permit adoption of appropriate rules by October 10, 1954, the effective date of the amendments to the statutes.

The amendments noted below do not relate to the use of such summary prospectuses as may be permitted under section 10 (b), or expanded advertisements under section 2 (10) (b) of the amended statute. The nature and form of such advertisements, communications and summary prospectuses are presently under consideration by the Commission and it is expected that proposals for the adoption of appropriate rules may be published for comment within the near future.

The other principal amendments to the statutes effected by Public Law 577 are summarized below:

The Securities Act of 1933 requires that a dealer must deliver a prospectus in the initial distribution of a security, regardless of the duration of such distribution. It further requires the delivery of a prospectus by every dealer in trading transactions in the registered securities for 1 year after commencement of the offering. This latter provision is amended by Public Law 577 to reduce the 1-year period to 40 days after the effective date or 40 days after the commencement of the public offering, whichever expires last. For certain types of investment companies which continuously offer securities the Investment Company Act of 1940 is amended to provide for mandatory use of prospectuses in trading transactions over a longer period.

Prospectuses which are used more than 13 months after the effective date of the registration statement under the Securities Act now must contain information as of a date within 12 months of its use. To simplify these requirements and in many cases to require more recent information, the act is amended to provide that where a prospectus is used more than 9 months after the effective date, the information contained therein shall be as of a date within 16 months of such use.

The prohibition contained in the Securities Exchange Act of 1934 against extending credit to purchasers of a new issue by dealers for 6 months after the offering period is considered unnecessarily long. The amendment reduces the 6 months' period to 30 days.

The Trust Indenture Act of 1939 requires inclusion in a prospectus of a summary of certain specified indenture provisions. Since the Commission can deal with disclosure problems through its rule making power, and since the substantive provisions required to be included in indentures qualified under the act would not be changed, this requirement was eliminated as unnecessary.

Instead of, in effect, requiring investment companies, which engage in continuous offerings of their shares, to file new registration statements under the Securities Act each year, an amendment to the Investment Company Act of 1940 will permit such companies to increase the number of their registered shares by amending their registration statements.

The text of the proposed action follows:

I. Rule 120 would be revised to delete the obsolete reference to registration statements filed in San Francisco as follows:

§ 230.120 *Inspection of registration statements.* Except for material contracts or portions thereof accorded confidential treatment pursuant to § 230.485, all registration statements are available for public inspection, during business hours, at the principal office of the Commission in Washington, D. C.

II. Section 230.131 (Rule 131), which provides for the use of the so-called "red herring" prospectus would be rescinded. The rule would be replaced by Rule 433 (§ 230.433) providing for the use of a "Preliminary Prospectus" meeting the requirements of section 10. Pending further study, Rule 132 (§ 230.132) would not be rescinded at this time. However, the Commission would not require as a condition of acceleration of the effective date of a registration statement distribution of copies of the identifying statement provided for by Rules 132 and 414 (§§ 230.132 and 230.414) to each underwriter and dealer who may be invited to participate in the distribution of the security.

III. Section 230.153 (a) The clause immediately preceding subparagraph (1) of this rule would be amended as follows:

§ 230.153 *Definition of "preceded by a prospectus" as used in section 5 (b) (2) in relation to certain transactions.* (a) * * * *Provided,* That as to any transaction occurring prior to the expiration of forty days after the effective date of the registration statement or the expiration of forty days after the first date upon which the security was bona fide offered to the public by the issuer or by or through an underwriter after such effective date, whichever is later (exclusive of the time during which a stop order issued under section 8 is in effect as to such security)

* * * * *

IV Section 230.162 (Rule 162) would be replaced by a new Rule 432 as follows:

§ 230.432 *Application of amendments to rules governing contents of prospectuses.* (a) The form and contents of any prospectus need conform only to the applicable rules in effect, and contain the information including financial statements specified therein, at the time the registration statement, or the latest amendment thereto pursuant to section 24 (e) of the Investment Company Act of 1940 as amended, became effective, whichever is later, notwithstanding subsequent amendments to such rules, except as otherwise provided in any such amendment or in paragraph (b) of this section.

(b) When a stop order entered under section 8 (d) ceases to be effective as to a registration statement, the form and contents of any prospectus used thereafter for securities covered by such statement shall conform to the applicable rules in effect at the date such stop order ceases to be effective.

V Section 230.400 (Rule 400) would be amended by adding a second sentence as follows:

§ 230.400 *Application of §§ 230.400 to 230.493.* * * * For purposes of §§ 230.400 to 230.493, the term "registration statement" shall include any amendment filed pursuant to the provisions of section 24 (e) (1) of the Investment Company Act of 1940.

VI. Section 230.405 (Rule 405) would be amended by adding a new definition:

§ 230.405 *Definitions of terms.* * * *

(q–1) *Prospectus.* Unless otherwise specified or the context otherwise requires the term "prospectus" means a prospectus meeting the requirements of section 10 (a) of the act.

VII. Section 230.411: Paragraph (b) of this rule would be amended as follows:

§ 230.411 *Incorporation of certain information by reference.* * * *

(b) Any financial statement or part thereof filed with the Commission pursuant to any act administered by the Commission may be incorporated by reference to any registration statement if it substantially conforms to the requirements of the appropriate form and is not required to be included in the prospectus. However, a financial schedule incorporated by reference to an annual report filed with the Commission pursuant to any act administered by it need not be certified, if such schedule was not required to be certified in connection with the filing of the annual report, any requirement of any registration form to the contrary notwithstanding.

VIII. Section 230.413 would be amended as follows:

§ 230.413 *Registration of additional securities.* Except as provided in section 24 (e) (1) of the Investment Company Act of 1940, the registration of additional securities of the same class as other securities for which a registration statement is already in effect shall be effected through a separate registration statement relating to the additional securities.

IX. Section 230.414 would be amended by adding a second sentence as follows:

§ 230.414 *Identifying statements.* * * * Notwithstanding the foregoing, a registration statement filed pursuant to § 230.415 and a registration statement, or amendment pursuant to section 24 (e) (1) of the Investment Company Act of 1940, relating to the registration of additional securities issued by a face amount certificate company or to additional redeemable securities issued by an open-end management company or unit investment trust may, but need not, include such exhibit.

X. Section 230.415:

1. Paragraph (a) of the rule would be amended as follows:

§ 230.415 *Competitive bidding registration statements.* (a) A registration statement covering securities to be offered at competitive bidding shall contain undertakings by the registrant (1) to file an amendment to the registration statement reflecting the results of the bidding, the terms of the reoffering and related matters to the extent required by the applicable form, not later than the first use, authorized by the registrant after the opening of the bids, of a prospectus relating to the securities offered at competitive bidding, unless no further public offering of such securities by the registrant and no reoffering thereof by the purchasers is proposed to be made, and (2) to use its best efforts to distribute prior to the opening of bids, to prospective bidders, underwriters and dealers a reasonable number of copies of a prospectus which at that time meets the requirements of section 10 (a) of the act, and relating to the securities offered at competitive bidding, as contained in

the registration statement, together with any supplements thereto. Any order declaring the registration statement effective shall be deemed to declare an amendment thereto filed pursuant to the first such undertaking effective in accordance with paragraph (b) of this section.

* * * * *

2. Paragraph (c) of the rule would be amended to delete the first sentence of the rule, and to insert "(a)" after the words "section 10" wherever they appear in that paragraph.

XI. Section 230.423: The first sentence of this rule would be revised as follows:

§ 230.423 *Date of prospectuses.* Each prospectus used after the effective date of the registration statement shall be dated approximately as of such effective date. * * *

XII. Section 230.424.

1. Paragraph (b) of the rule would be amended as follows:

§ 230.424 *Filing of prospectuses; number of copies.* * * *

(b) Within 5 days after the effective date of a registration statement or the commencement of a public offering after the effective date of a registration statement, whichever occurs later, 25 copies of each form of prospectus used in connection with such offering shall be filed with the Commission in the exact form in which it was used: *Provided, however* That this paragraph shall not apply in respect of a form of prospectus contained in a registration statement and relating solely to securities offered at competitive bidding which prospectus is intended for use prior to the opening of bids.

2. Paragraph (c) would be amended by inserting the clause "After the effective date of a registration statement" at the beginning of the first sentence of this paragraph.

3. The first sentence of paragraph (d) would be revised as follows: "Every prospectus consisting of a radio or television broadcast shall be reduced to writing."

4. Paragraph (e) would be amended as follows:

(e) Five copies of every form of prospectus sent or given to any person prior to the effective date which varies from the form of prospectus filed pursuant to paragraph (a) of this section shall be filed as part of the registration statement not later than the date such form or prospectus is first sent or given to any person.

XIII. Sec. 230.427 would be amended as follows:

§ 230.427 *Contents of prospectuses used after 9 months.* There may be omitted from any prospectus used more than 9 months after the effective date of the registration statement any information previously required to be contained in the prospectus insofar as later information covering the same subjects, including financial statements, as of a date not more than 16 months prior to the use of the prospectus is contained therein. Every such prospectus shall contain the latest available certified financial statements as of a date not more than 16 months prior to its use.

XIV. Section 230.428:

1. Paragraph (b) of this rule would be revised as follows:

§ 230.428 *Invitations for competitive bids.* * * * (b) the communication states that prior to the acceptance of any bid, the bidder will be furnished a copy of a prospectus which meets the requirements of section 10 (a) of the act at that time. * * *

2. This rule would be further revised by adding a third sentence as follows: "Five copies of such form of communication sent or given to any person shall be filed as part of the registration statement not later than the date such form of communication is first sent or given to any person."

XV Section 230.431.

1. The first paragraph of this rule would be amended as follows:

§ 230.431 *Prospectuses supplementing preliminary material supplied previously.* For the purposes of section 5 (b) a prospectus may consist of a copy of the latest proposed form of prospectus meeting the requirements of § 230.433 and a document containing such additional information that both together contain all of the information required to be included in a prospectus meeting the requirements of section 10 (a) at that time.

2. The rule would also be amended by deleting "and" at the end of subparagraph (2), changing the period to a semicolon and adding the word "and" at the end of subparagraph (3) and adding a fourth subparagraph as follows:

(4) Five copies of the document have been filed as a part of the registration statement prior to its use.

XVI. Section 230.433: A new Rule 433 to replace Rule 131 would be adopted as follows:

§ 230.433 *Prospectus for use prior to effective date.* A form of prospectus filed as a part of the registration statement shall be deemed to meet the requirements of section 10 of the act for the purpose of section 5 (b) (1) thereof prior to the effective date of the registration statement, provided the following conditions are met:

(a) Such form of prospectus contains substantially the information required by the act and the rules and regulations thereunder to be included in a prospectus meeting the requirements of section 10 (a) of the act for the securities being registered, or contains substantially that information except for the omission of information with respect to the offering price, underwriting discounts or commissions, discounts or commissions to dealers, amount of proceeds, conversion rates, call prices, or other matters dependent upon the offering price, and

(b) The outside front cover page of such form of prospectus shall bear, in red ink, the caption "Preliminary Prospectus," the date of its issuance, and the following statement printed in type as large as that generally in the body thereof:

A registration statement relating to these securities has been filed with the Securities and Exchange Commission, but has not yet become effective. Information contained herein is subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective.

(c) The preliminary prospectus may also bear any legend required by law of a State in which the prospectus is to be used indicating the limited purpose or use of prospectus prior to qualification or other compliance with State law.

XVII. Section 230.457: Paragraph (a) of this rule would be amended as follows:

§ 230.457 *Computation of fee.* (a) At the time of filing a registration statement, or any amendment thereto pursuant to the provisions of section 24 (e) (1) of the Investment Company Act of 1940 as amended, the registrant shall pay to the Commission a fee of one one-hundredth of 1 percent of the maximum aggregate price at which the securities are proposed to be offered, but in no case shall such fee be less than $25.

XVIII. Section 230.460: A new Rule 460 would be added as follows:

§ 230.460 *Preparation and distribution of preliminary prospectus.* (a) Pursuant to the statutory requirement that the Commission in ruling upon requests for acceleration of the effective date of a registration statement shall have due regard to the adequacy of the information respecting the issuer theretofore available to the public, the Commission will consider whether the persons making the offering have taken reasonable steps to make the information contained in the registration statement conveniently available to underwriters and dealers who may be invited to participate in the distribution of the security to be offered or sold.

(b) As a minimum, reasonable steps to make the information conveniently available would involve the distribution, to each underwriter and dealer who may be invited to participate in the distribution of the security, a reasonable time in advance of the anticipated effective date of the registration statement, of as many copies of the proposed form of preliminary prospectus permitted by § 230.433 as appears to be reasonable to secure adequate distribution of the preliminary prospectus.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, in the event that the form of preliminary prospectus, which has been distributed by the issuer or underwriter, is found to be inaccurate or inadequate in material respects, acceleration of the effective date of a registration statement will not be granted until the Commission has received satisfactory assurance that appropriate correcting material has been sent to all underwriters and dealers who received such preliminary prospectus or prospectuses in quantity sufficient for their information and the information of others to whom the inaccurate or inadequate material was sent.

(d) Notwithstanding the provisions of the preceding paragraphs of this section,

the granting of acceleration will not be conditioned upon the distribution of a preliminary prospectus in any State where such distribution would be illegal.

(e) Notwithstanding the provisions of paragraphs (a) to (d) of this section, in the case of a registration statement covering securities to be offered at competitive bidding, the granting of acceleration will not be conditioned upon the distribution of a preliminary prospectus provided the undertaking in paragraph (a) (2) of § 230.415 is included in the registration statement.

(f) In addition, in passing upon requests for acceleration, the Commission will consider whether there has been a bona fide effort to make the prospectus reasonably concise and readable, so as to facilitate an understanding of the information required or permitted to be contained in the prospectus.

XIX. Section 230.470 shall be expanded by changing the final period to a comma and adding a clause immediately at the end of the sentence, as follows:

§ 230.470 *Formal requirements for amendments.* * * * statement, except that amendments filed pursuant to Section 24 (e) (1) of the Investment Company Act of 1940 shall conform to the form for registration in effect at the time of filing.

XX. Section 230.473: The first sentence of Rule 473 would be amended as follows:

§ 230.473 *Delaying amendments.* The effective date of a registration statement may be delayed by the filing, by telegram or letter, of an amendment stating a proposed effective date. * * *

XXI. Section 230.478: Subparagraph (1) of subparagraph (a) of Rule 478 would be amended as follows:

§ 230.478 *Powers to amend or withdraw registration statement.* * * *

(a) * * * (1) by filing of a delaying amendment as provided in § 230.473; * * *

XXII. Section 230.494:

1. The first sentence of subparagraph (a) of Rule 494 would be revised as follows:

§ 230.494 *Newspaper prospectuses.* (a) This section shall apply only to newspaper prospectuses relating to securities, as to which a registration statement has become effective, issued by a foreign national government with which the United States maintains diplomatic relations. * * *

2. A similar change would be made in those forms for the registration of securities which permit the use of a newspaper prospectus.

XXIII. Section 240.0–1. This rule would be amended by adding a subparagraph (d) as follows:

§ 240.0–1 *Definitions.* * * *

(d) Unless otherwise specified or the context otherwise requires, the term "prospectus" means a prospectus meeting the requirements of section 10 (a) of the Securities Act of 1933 as amended.

XXIV Section 240.12b–2: Rule X-12B–2 would be amended by adding a definition of prospectus:

§ 240.12b–2 *Definitions.* * * *

(o–1) *Prospectus.* Unless otherwise specified or the context otherwise requires, the term "prospectus" means a prospectus meeting the requirements of section 10 (a) of the Securities Act of 1933 as amended.

XXV Section 240.13a–4: Rule X-13A–4 would be revised as follows:

§ 240.13a–4 *Incorporation of information contained in a prospectus.* Any registrant which has filed with the Commission pursuant to § 230.424 of this chapter under the Securities Act of 1933 copies of a prospectus meeting the requirements of section 10 of that act after the effective date of the registration statement may incorporate in its annual report * * *

XXVI. Section 240.15d–4: Rule X-15D–4 would be revised as follows:

§ 240.15d–4 *Incorporation of information contained in a prospectus.* Any registrant which has filed with the Commission pursuant to § 230.424 of this chapter under the Securities Act of 1933 copies of a prospectus meeting the requirements of section 10 of that act after the effective date of the registration statement may incorporate into its annual report * * *

All interested persons are invited to submit their views and comments on the proposed amendments in writing to the Securities and Exchange Commission, Washington 25, D. C., on or before September 27, 1954. Unless the person submitting any such comments or suggestions requests in writing that they be held confidential, they will be public records, available for public inspection.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

SEPTEMBER 8, 1954.

[F. R. Doc. 54–7317; Filed, Sept. 17, 1954; 8:46 a. m.]

NOTICES

CIVIL AERONAUTICS BOARD

[Docket No. 5993]

R. E. MCKAUGHAN AND TRANS-TEXAS AIRWAYS

NOTICE OF FURTHER HEARING

In the matter of the application of R. E. McKaughan and Trans-Texas Airways for approval of control and interlocking relationships under sections 408 and 409 of the Civil Aeronautics Act of 1938, as amended.

Notice is hereby given pursuant to the Civil Aeronautics Act of 1938, as amended, and the Board's order adopted June 18, 1954, Serial No. E–8456, that further hearing in the above-entitled proceeding is assigned to be held on November 15, 1954, at 10:00 a. m., e. s. t., in Room 1016, Temporary Building No. 4, Seventeenth Street and Constitution Avenue NW., Washington, D. C., before Curtis C. Henderson, Hearing Examiner.

For further details of the issues involved in this proceeding, interested persons are referred to the application and other documents entered in the proceeding, all of which are on file with the Civil Aeronautics Board.

Notice is further given that any person, other than parties of record and interveners of record, desiring to be heard in this proceeding may file with the Board on or before November 15, 1954, a statement setting forth the issues of fact and of law raised by this proceeding which he desires to controvert, and such person may appear and participate in the hearing in accordance with § 302.14 of the Procedural Regulations under Title X of the Civil Aeronautics Act of 1938, as amended.

Dated at Washington, D. C., September 15, 1954.

[SEAL] FRANCIS W BROWN, *Chief Examiner*

[F. R. Doc. 54–7349; Filed, Sept. 17, 1954; 8:53 a. m.]

[Docket No. 6047 et al.]

CAPITAL AIRLINES, INC. ET AL., NORFOLK-ATLANTA NONSTOP INVESTIGATION

NOTICE OF HEARING

In the matter of the investigation of the need for direct nonstop service between Norfolk and Atlanta.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly sections 401, 1001, and 1002 of said act, and the Board's order adopted April 19, 1954, Serial No. E–8271, that a hearing in the above-entitled proceeding will be held on November 22, 1954, at 10:00 a. m., e. s. t., in Room 2071, Temporary Building No. 5, Sixteenth Street and Constitution Avenue NW., Washington, D. C., before Curtis C. Henderson, Hearing Examiner.

Without limiting the scope of the issues presented by the applications and investigation consolidated herein, particular attention will be directed to the following matters:

1. Whether the public convenience and necessity require direct nonstop air service between Norfolk and Atlanta.

2. Whether one or more of the following route revisions should be authorized in connection with providing direct nonstop service between Norfolk and Atlanta;

(a) Whether the certificate held by Capital Airlines, Inc., for Route 51 should be amended so as to authorize direct nonstop service between Norfolk and Atlanta, Docket No. 6707.

(b) Whether Delta-C&S Airlines, Inc., should be authorized to provide direct nonstop service between Norfolk and Atlanta, Docket No. 6682.

(c) Whether the certificates held by Eastern Air Lines, Inc., for routes Nos. 5 and 6 should be amended so as to authorize direct nonstop service between Norfolk and Atlanta, Docket No. 6739.

(d) Whether National Airlines, Inc., should be authorized to provide direct nonstop service between Norfolk and Atlanta, Docket No. 6683.

3. Whether the applicants are fit, willing, and able properly to perform the proposed air transportation and to conform to the provisions of the Act and the rules, regulations, and requirements of the Board thereunder.

For further details of the issues involved in this proceeding interested persons are referred to the applications mentioned above, the consolidation order (No. E–8584) the report of the prehearing conference, and other documents of record in this proceeding on file in the Docket Section of the Civil Aeronautics Board.

Notice is further given that any person, other than a party of record, desiring to be heard in this proceeding must file with the Board on or before November 22, 1954, a statement setting forth the statements of fact or law which he desires to controvert.

Dated at Washington, D. C., September 15, 1954.

[SEAL] FRANCIS W. BROWN,
Chief Examiner

[F. R. Doc. 54–7347; Filed, Sept. 17, 1954; 8: 53 a. m.]

[Docket No. SA–294]

ACCIDENT OCCURRING NEAR MASON CITY, IOWA

NOTICE OF HEARING

In the matter of investigation of accident involving aircraft of United States Registry N 61451, which occurred near Mason City, Iowa, on August 22, 1954.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 702 of said act, in the above-entitled proceeding that hearing is hereby assigned to be held on September 28, 1954, at 9:00 a. m. (local time) in The Baker Hotel, Commerce, Akard & Jackson Streets, Dallas, Texas.

Dated at Washington, D. C., September 13, 1954.

[SEAL] ROBERT W. CHRISP,
Presiding Officer.

[F. R. Doc. 54–7348; Filed, Sept. 17, 1954; 8: 53 a. m.]

DEPARTMENT OF THE TREASURY

Office of the Secretary

[Treasury Department Order 173–1]

UNITED STATES SECRET SERVICE

TRANSFER OF FUNCTIONS TO CHIEF

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950, there is transferred to the Chief of the United States Secret Service, to be performed through the Secret Service, the function of making any investigation required to carry out the responsibility of any bureau, office, or division which does not regularly make investigations, including investigations required in the administration of the Government Losses in Shipment Act, the Gold Reserve Act, and the Silver Purchase Act, except where the responsibility for performing an investigation has been specifically assigned to some other bureau, office, or division.

Dated: September 14, 1954.

[SEAL] H. CHAPMAN ROSE,
Acting Secretary of the Treasury.

[F. R. Doc. 54–7343; Filed, Sept. 17, 1954; 8:52 a. m.]

DEPARTMENT OF AGRICULTURE

Office of the Secretary

ARIZONA

DESIGNATION OF AREA FOR PRODUCTION EMERGENCY LOANS

For the purpose of making loans pursuant to section 2 (a) of Public Law 38, 81st Congress, 12 U. S. C. 1148 a–2 (a) it is found that in the following named counties in the State of Arizona, a production disaster has caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

STATE OF ARIZONA

Maricopa County.
Pinal County.

After December 31, 1955, such loans will not be made in the above named counties except to borrowers who previously received such assistance.

Done at Washington, D. C., this 14th day of September 1954.

[SEAL] EZRA TAFT BENSON,
Secretary of Agriculture.

[F. R. Doc. 54–7325; Filed, Sept. 17, 1954; 8:48 a. m.]

WYOMING

DESIGNATION OF AREA FOR PRODUCTION EMERGENCY LOANS AND ECONOMIC EMERGENCY LOANS

For the purpose of making loans pursuant to section 2 (a) of Public Law 38, 81st Congress, 12 U. S. C. 1148 a–2 (a) it is found that in the following named counties in the State of Wyoming, a production disaster has caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

STATE OF WYOMING

Goshen County.
Laramie County.
Platte County.

Pursuant to the delegation of authority from the Administrator, Federal Civil Defense Administration, (18 F. R. 4609, 19 F. R. 2140) as further amended on July 30, 1954, and for the purpose of making loans pursuant to section 2 (b) of Public Law 38, 81st Congress, as amended by Public Law 115, 83d Congress, and section 301 of Public Law 480, 83d Congress, it is determined that the above-named counties are within the area affected by the major disaster occasioned by drought determined by the President on July 21, 1954, pursuant to Public Law 875, 81st Congress. It is also determined that an economic disaster exists in said counties that has caused a need for agricultural credit that cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers Home Administration under its regular loan programs, or other responsible sources.

After December 31, 1955, loans under section 2 (a) or (b) of Public Law 38, 81st Congress, as amended, will not be made in the above named counties except to borrowers who previously received such assistance.

Done at Washington, D. C., this 14th day of September 1954.

[SEAL] EZRA TAFT BENSON,
Secretary.

[F. R. Doc. 54–7326; Filed, Sept. 17, 1954; 8:48 a. m.]

Rural Electrification Administration

[Administrative Order 469]

KANSAS

LOAN ANNOUNCEMENT

AUGUST 4, 1954.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Kansas 36G Linn	$47,000

[SEAL] FRED H. STRONG,
Acting Administrator.

[F. R. Doc. 54–7354; Filed, Sept. 17, 1954; 8:54 a. m.]

[Administrative Order 4691]

MONTANA

LOAN ANNOUNCEMENT

AUGUST 4, 1954.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Montana 26H Valley	$108,000

[SEAL] FRED H. STRONG,
Acting Administrator

[F. R. Doc. 54-7355; Filed, Sept. 17, 1954; 8:54 a. m.]

[Administrative Order 4692]

NORTH CAROLINA

LOAN ANNOUNCEMENT

AUGUST 4, 1954.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
North Carolina 51N Hoke	$420,000

[SEAL] FRED H. STRONG,
Acting Administrator

[F. R. Doc. 54-7356; Filed, Sept. 17, 1954; 8:54 a. m.]

[Administrative Order 4693]

IOWA

LOAN ANNOUNCEMENT

AUGUST 12, 1954.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Iowa 23N Crawford	$191,000

[SEAL] J. K. O'SHAUGHNESSY,
Acting Administrator

[F. R. Doc. 54-7357; Filed, Sept. 17, 1954; 8:54 a. m.]

[Administrative Order 4694]

OKLAHOMA

LOAN ANNOUNCEMENT

AUGUST 12, 1954.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Oklahoma 16U Pontotoc	$500,000

[SEAL] J. K. O'SHAUGHNESSY,
Acting Administrator

[F. R. Doc. 54-7358; Filed, Sept. 17, 1954; 8:54 a. m.]

[Administrative Order 4695]

TEXAS

LOAN ANNOUNCEMENT

AUGUST 17, 1954.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Texas 49P Denton	$112,000

[SEAL] J. K. O'SHAUGHNESSY,
Acting Administrator.

[F. R. Doc. 54-7359; Filed, Sept. 17, 1954; 8:54 a.m.]

[Administrative Order 4696]

NORTH CAROLINA

LOAN ANNOUNCEMENT

AUGUST 17, 1954.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
North Carolina 23AK Caldwell	$100,000

[SEAL] J. K. O'SHAUGHNESSY,
Acting Administrator

[F. R. Doc. 54-7360; Filed, Sept. 17, 1954; 8:55 a. m.]

[Administrative Order 4697]

FLORIDA

LOAN ANNOUNCEMENT

AUGUST 17, 1954.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Florida 34L Bay	$50,000

[SEAL] J. K. O'SHAUGHNESSY,
Acting Administrator

[F. R. Doc. 54-7361; Filed, Sept. 17, 1954; 8:55 a. m.]

[Administrative Order 4698]

GEORGIA

LOAN ANNOUNCEMENT

AUGUST 17, 1954,

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Georgia 92P Brantley	$50,000

[SEAL] J. K. O'SHAUGHNESSY,
Acting Administrator.

[F. R. Doc. 54-7362; Filed, Sept. 17, 1954; 8:55 a. m.]

[Administrative Order 4699]

ALLOCATION OF FUNDS FOR LOANS

AUGUST 17, 1954.

I hereby amend:

(a) Administrative Order No. 3800, dated September 16, 1952, by rescinding the loan of $25,000 therein made for "New Mexico 22G McKinley"

[SEAL] J. K. O'SHAUGHNESSY,
Acting Administrator

[F. R. Doc. 54-7363; Filed, Sept. 17, 1954; 8:55 a. m.]

[Administrative Order 4700]

TEXAS

LOAN ANNOUNCEMENT

AUGUST 20, 1954.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Texas 95AA Medina	$1,470,000

[SEAL] J. K. O'SHAUGHNESSY,
Acting Administrator

[F R. Doc. 54-7364; Filed, Sept. 17, 1954; 8:55 a. m.]

[Administrative Order 4701]

ALLOCATION OF FUNDS FOR LOANS

AUGUST 23, 1954.

Inasmuch as Laclede Electric Cooperative has transferred certain of its properties and assets to Gascosage Electric Cooperative, and Gascosage Electric Cooperative has assumed in part the indebtedness to United States of America, of Laclede Electric Cooperative, arising out of loans made by United States of America pursuant to the Rural Electrification Act of 1936, as amended, I hereby amend:

(a) Administrative Order No. 332, dated March 31, 1939, by changing the project designation appearing therein as "Missouri R9043A1 Laclede" in the amount of $158,000 to read "Missouri R9043A1 Laclede" in the amount of $153,823.54 and "Missouri 68TP3 Pulaski (Missouri R9043A1 Laclede)" in the amount of $4,176.46.

[SEAL] ANCHER NELSEN,
Administrator

[F. R. Doc. 54-7365; Filed, Sept. 17, 1954; 8:55 a. m.]

[Administrative Order 4702]

ALLOCATION OF FUNDS FOR LOANS

AUGUST 23, 1954.

Inasmuch as Ozark Border Electric Cooperative has transferred certain of its properties and assets to M & A Electric Power Cooperative, and M & A Electric Power Cooperative has assumed in part the indebtedness to United States of America, of Ozark Border Electric Cooperative, arising out of loans made by United States of America pursuant to the Rural Electrification Act of 1936, as amended, I hereby amend:

(a) Administrative Order No. 2154, dated June 7, 1949, by changing the project designation appearing therein as "Missouri 33N,P V Butler" in the amount of $1,325,000 to read "Missouri 33N,P,V Butler" in the amount of $826,919.53 and "Missouri 60TP1 Ripley (Missouri 33N,P,V Butler)" in the amount of $498,080.47.

[SEAL] ANCHER NELSEN, *Administrator.*

[F. R. Doc. 54-7366; Filed, Sept. 17, 1954; 8:55 a. m.]

[Administrative Order 4703]

ALLOCATION OF FUNDS FOR LOANS

AUGUST 23, 1954.

Inasmuch as Eastern Nebraska Public Power District has transferred certain of its properties and assets to Norris Rural Public Power District, and Norris Rural Public Power District has assumed in part the indebtedness to United States of America, of Eastern Nebraska Public Power District, arising out of loans made by United States of America pursuant to the Rural Electrification Act of 1936, as amended, I hereby amend:

(a) Administrative Order No. 1471, dated March 30, 1948, by changing the project designation appearing therein as "Nebraska 44P R Eastern Nebraska District Public" in the amount of $810,000 to read "Nebraska 44P R Eastern Nebraska District Public" in the amount of $788,222.94 and "Nebraska 77TP5 Norris District Public (Nebraska 44 P R Eastern Nebraska District Public)" in the amount of $21,777.06.

[SEAL] ANCHER NELSEN, *Administrator*

[F. R. Doc. 54-7367; Filed, Sept. 17, 1954; 8:55 a. m.]

[Administrative Order 4704]

ALLOCATION OF FUNDS FOR LOANS

AUGUST 23, 1954.

Inasmuch as H-D Electric Cooperative, Inc. has transferred certain of its properties and assets to East River Electric Power Cooperative, Inc., and East River Electric Power Cooperative, Inc. has assumed in part the indebtedness to United States of America, of H-D Electric Cooperative, Inc., arising out of loans made by United States of America pursuant to the Rural Electrification Act of 1936, as amended, I hereby amend:

(a) Administrative Order No. 2309, dated September 21, 1949, by changing the project designation appearing therein as "South Dakota 17G Hamlin" in the amount of $355,000 to read "South Dakota 17G Hamlin" in the amount of $193,730.31 and "South Dakota 43TP3 Minnehaha (South Dakota 17G Hamlin)" in the amount of $161,269.69.

[SEAL] ANCHER NELSEN, *Administrator.*

[F. R. Doc. 54-7368; Filed, Sept. 17, 1954; 8:56 a. m.]

[Administrative Order 4705]

ALLOCATION OF FUNDS FOR LOANS

AUGUST 23, 1954.

Inasmuch as Cass County Electric Cooperative, Inc., has transferred certain of its properties and assets to James Valley Electric Cooperative, Inc., and James Valley Electric Cooperative, Inc., has assumed in part the indebtedness to United States of America, of Cass County Electric Cooperative, Inc., arising out of loans made by United States of America pursuant to the Rural Electrification Act of 1936, as amended, I hereby amend:

(a) Administrative Order No. 103, dated January 31, 1938, by changing the project designation appearing therein as "North Dakota 8011B1 Cass" in the amount of $60,772 to read "North Dakota 8011B1 Cass" in the amount of $53,924.29 and "North Dakota 26TP1 LaMoure (North Dakota 8011B1 Cass)" in the amount of $6,847.71.

[SEAL] ANCHER NELSEN, *Administrator.*

[F. R. Doc. 54-7369; Filed, Sept. 17, 1954; 8:56 a. m.]

[Administrative Order 4706]

ALLOCATION OF FUNDS FOR LOANS

AUGUST 24, 1954.

I hereby amend:

(a) Administrative Order No. 1614, dated October 1, 1948, by reducing the allocation of $50,000 therein made for "North Dakota 32D Oliver" by $40,000 so that the reduced allocation shall be $10,000.

[SEAL] J. K. O'SHAUGHNESSY, *Acting Administrator.*

[F. R. Doc. 54-7370; Filed, Sept. 17, 1954; 8:56 a. m.]

[Administrative Order 4707]

OKLAHOMA

LOAN ANNOUNCEMENT

AUGUST 25, 1954.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Oklahoma 29 P Pawnee	$750,000

[SEAL] ANCHER NELSEN, *Administrator.*

[F. R. Doc. 54-7371; Filed, Sept. 17, 1954; 8:56 a. m.]

[Administrative Order 4708]

COLORADO

LOAN ANNOUNCEMENT

AUGUST 25, 1954.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Colorado 30K Routt	$365,000

[SEAL] ANCHER NELSEN, *Administrator.*

[F. R. Doc. 54-7372; Filed, Sept. 17, 1954; 8:56 a. m.]

[Administrative Order 4709]

GEORGIA

LOAN ANNOUNCEMENT

AUGUST 26, 1954.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	*Amount*
Georgia 70Z Mitchell	$50,000

[SEAL] J. K. O'SHAUGHNESSY, *Acting Administrator.*

[F. R. Doc. 54-7373; Filed, Sept. 17, 1954; 8:56 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

N. V. NEDERLANDSCH-AMERIKAANSCHE STOOMVAART-MAATSCHAPPIJ "HOLLAND-AMERIKA LIJN" ET AL.

NOTICE OF AGREEMENTS FILED WITH THE BOARD FOR APPROVAL

Notice is hereby given that the following described agreements have been filed with the Board for approval pursuant to § 15 of the Shipping Act, 1916, as amended; 39 Stat. 733, 46 U. S. C. § 814.

(1) Agreement No. 7976 between N. V Nederlandsch - Amerikaansche Stoomvaart-Maatschappij "Holland-Amerika Lijn" and Van Nievelt, Goudriaan & Co's Stoomvart Maatschappij N. V. (Holland Interamerica Line, Joint Service) and Alcoa Steamship Company, Inc., covers the transportation of general cargo under through bills of lading from Brazil, Argentina and Uruguay to the Virgin

Islands, with transhipment at New York, Baltimore or Norfolk.

(2) Agreement No. 7979, between Hamburg Chicago Line Joint Service and Hamburg-Amerika Linie, Norddeutscher Lloyd and Ahrenkiel & Bene Joint Service covers the establishment and maintenance of a sailing arrangement in the trade between ports of the Great Lakes of the United States and Canada on the one hand and Continental ports of Europe within the Bordeaux-Hamburg range and UK-ports on the other hand.

(3) Agreement No. 7989 between A/B Svenska Amerika Linien (Swedish American Line) and Rederiaktiebolaget-Transatlantic (The Transatlantic Steamship Company, Ltd.) as one party, and Alcoa Steamship Company, Inc., covers the transportation of general cargo on through bills of lading from Norway, Sweden, Finland, Poland, and Denmark to Puerto Rico, with transshipment at New York, Baltimore, or Norfolk.

Interested parties may inspect these agreements and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D. C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to any of the agreements and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: September 15, 1954.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS, *Secretary.*

[F. R. Doc. 54-7328; Filed, Sept. 17, 1954; 8:49 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 10914; FCC 54M-1106]

WESTERN BROADCASTING CO., INC. (KIFN)

STATEMENT OF PRE-HEARING CONFERENCE AND ORDER CONTINUING HEARING

In re application of Western Broadcasting Company, Inc. (KIFN) Phoenix, Arizona, Docket No. 10914, File No. BMP-6194, for modification of construction permit.

1. In accordance with notice duly given, a pre-hearing conference in the above-entitled matter was held pursuant to § 1.813 of the Commission's rules at 2:30 p. m., on Monday, August 30, 1954, in Washington, D. C.

2. Counsel for the applicant stated that this applicant had recently changed its engineering consultant; that it has not had time, since the Commission amended § 3.28 and related Standards, to obtain an opinion from its new engineering consultant as to whether it should proceed to hearing on its present proposal or, in view of the change in Commission's rule and standards, it should endeavor to amend its engineering proposal; that under these circumstances, a discussion at this time of evidence or stipulations relating to its present engineering proposal under the issues specified by the Commission would serve no useful purpose, and he therefore requested a continuance for one month of the hearing which is now scheduled for 10 o'clock a. m., September 14, 1954.

3. Counsel for the Broadcast Bureau of the Commission had no objection to a continuance, and there is no other party in this proceeding. Section 1.841 of the Commission's rules, as amended July 14, 1954, provides that a Conference shall be held under § 1.813 "at least 20 days in advance of the date for commencement of the hearing."

4. *Accordingly, it is ordered,* This 7th day of September 1954, that the Conference pursuant to § 1.813, which convened on Monday, August 30, 1954, is hereby continued to 10 o'clock a. m., Tuesday, September 21, 1954; and the hearing in the above-entitled proceeding is hereby continued to 10 o'clock a. m., Monday, October 18, 1954.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS, *Secretary.*

[F. R. Doc. 54-7345; Filed, Sept. 17, 1954; 8:52 a. m.]

[Docket Nos. 11159, 11160]

SOUTHWESTERN BELL TELEPHONE CO.

ORDER ASSIGNING MATTER FOR HEARING

In the matter of the application of Southwestern Bell Telephone Company, Docket No. 11159, File No. P-C-3500; for a certificate under section 221 (a) of the Communications Act of 1934, as amended, to acquire certain telephone plant and properties of Rudolph D. Bippert d/b as La Coste Telephone Company, La Coste, Texas; Southwestern Bell Telephone Company, Docket No. 11160, File No. P-C-3501, for a certificate under section 221 (a) of the Communications Act of 1934, as amended, to acquire certain telephone plant and properties of W C. Ray d/b as Forreston Telephone Company, Forreston, Texas.

The Commission having under consideration applications filed by Southwestern Bell Telephone Company for certificates under section 221 (a) of the Communications Act of 1934, as amended, that the proposed acquisition by it of certain telephone plant and properties of Rudolph D. Bippert d/b as La Coste Telephone Company and W C. Ray d/b as Forreston Telephone Company furnishing telephone service in and around La Coste, Texas and Forreston, Texas, respectively, will be of advantage to the persons to whom service is to be rendered and in the public interest;

It is ordered, This 10th day of September 1954, that pursuant to the provisions of section 221 (a) of the Communications Act of 1934, as amended, the above applications are assigned for public hearing in a consolidated proceeding, together with the proceedings in Docket No. 11155 for the purpose of determining whether the proposed acquisitions will be of advantage to the persons to whom service is to be rendered and in the public interest;

It is further ordered, That the hearing upon said applications be held at the offices of the Commission in Washington, D. C., beginning at 10:00 a. m. on the 4th day of October 1954, and that a copy of this order shall be served upon Southwestern Bell Telephone Company, Rudolph D. Bippert d/b as La Coste Telephone Company W. C. Ray d/b as Forreston Telephone Company, the Governor of Texas, and the Postmasters of La Coste and Forreston, Texas;

It is further ordered, That within five days after the receipt from the Commission of a copy of this order, the applicant herein shall cause a copy hereof to be published in a newspaper or newspapers having general circulation in La Coste, Forreston and Medina and Ellis Counties, Texas, and shall furnish proof of such publication at the hearing herein.

Released: September 13, 1954.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS, *Secretary.*

[F. R. Doc. 54-7344; Filed, Sept. 17, 1954; 8:52 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 54-217]

PHILADELPHIA COMPANY AND DUQUESNE LIGHT COMPANY

NOTICE OF FILING OF PLAN TO ELIMINATE CERTAIN GUARANTIES BY PHILADELPHIA CO., TO MONONGAHELA LIGHT AND POWER CO.

SEPTEMBER 14, 1954.

Notice is hereby given that Philadelphia Company ("Philadelphia"), a registered holding company which is a direct subsidiary of Standard Gas and Electric Company and an indirect subsidiary of Standard Power and Light Corporation, also registered holding companies, and Duquesne Light Company ("Duquesne"), an electric utility company which is a subsidiary of Philadelphia, have filed a joint application for approval of a plan under section 11 (e) of the Public Utility Holding Company Act of 1935 ("act") to eliminate certain guaranties by Philadelphia to Monongahela Light and Power Company ("Monongahela"), a Pennsylvania public utility company which is a non-affiliate of Philadelphia and Duquesne.

In essence, the plan provides for the cancellation and termination of Philadelphia's guaranties to Monongahela as hereinafter described, upon the payment by Philadelphia to Monongahela of a nominal cash consideration of $1.00.

Applicants state that:

1. By written agreement dated January 1, 1902 Monongahela, then an operating electric utility company, leased and assigned to Allegheny County Light Company ("Allegheny"), its successors and assigns, for a term of 900 years all properties and franchises of Monongahela (except books and papers relating to its corporate existence) and Philadelphia, then the owner of all the

outstanding stock of Allegheny, guaranteed the faithful performance of the covenants therein agreed to be performed by Allegheny, including covenants (a) to pay $85,000 in net rentals (to be available for dividends on the $1,700,000 aggregate par value of Monongahela's outstanding common stock) and $300 per annum to maintain the corporate organization of Monongahela, (b) to pay interest on Monongahela's bonds, taxes, and insurance, and (c) to unite with Monongahela in the issue of new bonds for the purpose of taking up Monongahela's outstanding bonds at their maturity.

2. By deed dated May 11, 1927, Allegheny sold to Duquesne, its successors and assigns, all the properties and franchises vested in Allegheny, including its interest under said lease agreement with Monongahela, and Philadelphia renewed its guaranty to Monongahela in behalf of its subsidiary Duquesne, all of whose voting stock was then owned by Philadelphia.

3. By agreement dated May 31, 1949, between Monongahela and Duquesne made pursuant to an order of this Commission dated May 27, 1949 (Holding Company Act Release No. 9123) it was agreed that Duquesne would purchase all of the outstanding bonds of Monongahela, due on June 1, 1949, in the principal amount of $1,698,000 and secured by an indenture of Fidelity Trust Company of Pittsburgh, and that Monongahela and Duquesne would replace the matured bonds with new bonds of equal principal amount. Philadelphia guaranteed to Monongahela the faithful performance of the covenants of Duquesne as stipulated in said agreement. Duquesne has purchased all but $2,000 principal amount of the Monongahela bonds and has deposited with the trustee cash for the purchase of the remaining bonds as agreed, but has not united with Monongahela in the issue of new bonds to take up the presently outstanding bonds of Monongahela as aforesaid.

At the time of the 1949 agreement Philadelphia owned all of the outstanding common stock of Duquesne. Since that time, pursuant to an order of this Commission dated June 1, 1948, issued under Section 11 of the Act, requiring Philadelphia to dispose of its interest in certain properties and to take appropriate steps to liquidate and dissolve (Holding Company Act Release No. 8242) Philadelphia has reduced its holdings of Duquesne's outstanding common stock to approximately 13.02 percent thereof. Philadelphia states that the elimination of the guaranties to Monongahela is a necessary and appropriate step in effecting its dissolution, and that the continued existence of these guaranties, in its opinion, constitutes an undue complexity in the corporate structure of the Philadelphia holding company system within the meaning of section 11 (b) (2) of the act.

The applicants have exhibited their respective balance sheets as of June 30, 1954, and their income statements for the twelve months ended June 30, 1954. Philadelphia has also indicated the market value of its major portfolio securities at July 23, 1954. These financial data may be summarized as follows:

PHILADELPHIA

ASSETS

	Per books	Market value July 23, 1954
Investments and fund accounts:		
Duquesne (largely common stock)	$3,649,693	$33,923,632
Pittsburgh Railways Co. common stock	5,470,789	3,513,097
Miscellaneous common stocks (6 companies)	231,499	
Real and personal property (net)	554,674	
United States Savings bonds	15,000	
Special fund	14,701	
	10,463,481	
Current assets	855,449	
Total	10,318,930	

LIABILITIES

Common stock (5,949,449 shares)	$32,543,100
Current liabilities	7,217,891
Miscellaneous (deferred credits, etc.)	103,005
Earned surplus (deficit)	(27,545,156)
Total	10,318,930

For the twelve months ended June 30, 1954, Philadelphia had total income of $1,568,326, of which $1,353,304 was received as dividends from Duquesne, and net income of $728,199.

Duquesne, whose electric service area includes the City of Pittsburgh and environs, had operating revenues of $79,417,607 for the twelve months ended June 30, 1954, with gross income of $18,919,597 and net income of $15,739,910. At June 30, 1954, its earned surplus balance was $21,947,511. Following is a condensed balance sheet of the company at the same date:

DUQUESNE

ASSETS

Property, plant and equipment	$384,885,775
Less reserves for depreciation	76,113,411
Net	278,772,364
Investment and fund accounts	7,849,103
Current assets	21,583,426
Deferred debits and capital stock expense	3,574,995
Total	311,784,831

LIABILITIES

Long term debt	126,720,000
Preferred stock	47,050,700
Common stock equity	90,691,643
Current liabilities	45,101,010
Deferred credits, etc	2,221,203
Total	311,784,831

Since 1949, when Duquesne deposited with the trustee funds for the purchase of the Monongahela bonds, thus terminating its interest liability with respect thereto, aggregate payments made by Duquesne to Monongahela under the lease agreement have ranged from $135,908.25 (in 1951) to $150,908.16 (in 1953).

The plan provides that Philadelphia will pay such fees and expenses as the Commission shall approve and allow in connection with the plan.

It is proposed to consummate the plan by means of an order entered by this Commission approving the plan, and a decree or order of a court of competent jurisdiction in an enforcement proceeding instituted by the Commission pursuant to section 11 (e) of the act, which requires, among other things, that a plan be fair and equitable to the persons affected thereby. The plan will not become operative until said decree or order of a court of competent jurisdiction shall have become final and no longer subject to rehearing or review.

Notice is further given that any interested person may, not later than September 30, 1954, at 5:30 p. m., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request, the nature of his interest and the issues of fact or law raised by said application which he desires to controvert, or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, the Commission may grant said application and approve said plan.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 54-7312; Filed, Sept. 17, 1954; 8:45 a. m.]

[File No. 7-1649]

BURLINGTON MILLS CORP.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 14th day of September A. D. 1954.

In the matter of application by the Boston Stock Exchange for unlisted trading privileges in Burlington Mills Corporation Common Stock, $1 Par Value.

The Boston Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the Common Stock, $1 Par Value, of Burlington Mills Corporation, a security listed and registered on the New York Stock Exchange. Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to October 5, 1954, the Commission will set this matter down for hearing.

In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-7315; Filed, Sept. 17, 1954; 8:45 a. m.]

[File No. 70-3283]

GEORGIA POWER CO.

ORDER AUTHORIZING ISSUANCE AND SALE OF PREFERRED STOCK SUBJECT TO EXCHANGE OFFER AND PRINCIPAL AMOUNT OF PROMISSORY NOTES, AND REDEMPTION OF OUTSTANDING PREFERRED STOCK; AND GRANTING EXCEPTION FROM COMPETITIVE BIDDING REQUIREMENTS

SEPTEMBER 14, 1954.

Georgia Power Company ("Georgia") a public-utility subsidiary of The Southern Company, a registered holding company, has filed an application-declaration, and amendments thereto, pursuant to sections 6 (b) and 12 (c) of the Public Utility Holding Company Act of 1935 ("act") and Rules U-42 and U-50 promulgated thereunder, with respect to the following proposed transactions:

Georgia at the present time has outstanding 433,869 shares of $6 Preferred Stock ("old preferred stock") without par value, which are subject to redemption, in whole or in part at any time upon 30 days' notice, at $110 per share, plus accrued dividends.

Georgia proposes to issue and sell 433,869 shares of $4.60 Preferred Stock ("new preferred stock") without par value. Georgia also proposes to amend its charter, which amendment will create the new preferred stock and will cancel the presently authorized shares of old preferred stock. The new preferred stock will be offered to the holders of Georgia's old preferred stock on an exchange basis of one share of new preferred stock and $5 in cash (plus a cash dividend adjustment) for each share of old preferred stock held. The exchange period will expire on October 4, 1954. The $5 cash payment represents the difference between $105, the proposed public offering price of the new preferred stock not required to effectuate the exchanges, and $110, the redemption price of the old preferred stock (in each case exclusive of accrued dividends) Georgia further proposes to redeem at the redemption price of $110 all shares of the old preferred stock not exchanged.

The proposed sale of new preferred stock is to be underwritten. Georgia states that considering the limited scope of the market, an issue of this size coupled with an exchange offer does not lend itself to the competitive bidding requirements of Rule U-50 and, for this and other stated reasons, Georgia requests that an exception from the provisions of Rule U-50 under the act be granted. After having advised the Commission of its intention so to do, Georgia has entered into an agreement with The First Boston Corporation, Merrill Lynch, Pierce, Fenner & Beane, Union Securities Corporation and Equitable Securities Corporation whereby they, as dealer managers, have agreed to form a group of securities dealers ("soliciting dealers" which may include the dealer managers) who will use their best efforts to obtain acceptances of the exchange offer. Under an underwriting agreement, the four firms mentioned above will act as representatives of the underwriters who are required to purchase from Georgia at $105 all of the shares of new preferred stock not required to effectuate the exchanges.

Georgia has agreed to pay the underwriters, as compensation for their commitments, 90¢ per share upon the entire 433,869 shares to be issued, plus 75¢ per share of new preferred purchased from the company, if the shares purchased are more than 10 percent but less than 20 percent of the amount of the entire issue or $1 for each share purchased if the shares purchased exceed 20 percent of such amount, and plus 80¢ per share of new preferred stock acquired by the underwriters for their accounts upon the exchange of old preferred stock purchased during the exchange period.

In accordance with the underwriting agreement, the underwriters will pay Georgia 50 percent of certain profits which may be realized by them on sales of the new preferred stock.

Georgia has also agreed to pay the soliciting dealers with respect to shares of old preferred stock exchanged by holders of record on September 15, 1954, pursuant to the exchange offer, 80¢ per share if less than 303,708 shares of old preferred stock are exchanged; 85¢ per share if 303,708 shares of such stock or more, but less than 347,095 shares, are exchanged; 90¢ per share if 347,095 shares of such stock or more, but less than 368,788 shares, are exchanged; and $1 per share if 368,788 shares of such stock or more are exchanged. In addition, Georgia will pay soliciting dealers 80¢ per share of old preferred stock owned by a soliciting dealer depositing it for exchange, if such soliciting dealer acquired it, for exchange, during the exchange period. Such fees to soliciting dealers will be paid only in instances where the name of the soliciting dealer appears on the letter of transmittal and the minimum and maximum aggregate fees payable with respect to any single exchanging holder will be $5 and $150, respectively, except in certain cases.

Georgia will also pay the dealer managers, as a manager's fee, an amount equal to 12% of the total amount of the fees paid to soliciting dealers, plus out-of-pocket expenses not exceeding $7,500.

Georgia also proposes to issue to banks unsecured promissory notes in an aggregate amount not exceeding $3,500,000. Such notes will bear an interest rate of 3¼% per annum and will be payable in sixteen equal semi-annual installments of which the first installment will be payable six months from the date of issue. The proceeds from the sale of such notes and from the sale to the underwriters of the shares of new preferred stock not required to effectuate the exchanges will be used to make the cash payments to the holders of the old preferred stock and to pay underwriters' fees and expenses and the other expenses of the proposed transactions.

The estimated expenses of the issuance and distribution of the new preferred stock, other than underwriting discounts and commissions, are as follows:

Federal original issue tax	$10,000
Filing fee, Securities and Exchange Commission	4,621
Charges of exchange and redemption agent	18,000
Charges of transfer agents and registrar	3,000
Cost of stock certificates	4,500
Printing and preparation of registration statement, financial statements, prospectus, letter to stockholders, etc	20,000
Services of Southern Services, Inc	9,000
Fee of counsel, Winthrop, Stimson, Putnam & Roberts (including preliminary services in connection with exception from Rule U-50)	25,000
Fees and expenses of accountants	3,750
Miscellaneous, including telephone and telegraph charges and traveling expenses	3,129
Total	100,000

The fee of Simpson Thacher & Bartlett, counsel for the underwriters, is estimated not to exceed $10,000.

The issue and sale of the new preferred stock have been expressly authorized by the Public Service Commission of Georgia, in which State Georgia is organized and doing business.

Due notice having been given of the filing of said application-declaration, and a hearing not having been requested of or ordered by the Commission; and the Commission finding that compliance with the competitive bidding requirements of Rule U-50 is not appropriate in the public interest or for the protection of investors or consumers as a condition to the exemption of the issuance and sale of the new preferred stock from the provisions of section 6 (a) of the act; that the applicable provisions of the act and rules promulgated thereunder are satisfied; that no adverse findings are necessary; and that the expenses, as estimated, are not unreasonable; and the Commission deeming it appropriate in the public interest and in the interest of investors that said application-declaration, as amended, should be granted and permitted to become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said application-declaration, as amended, be, and the same hereby is, granted and permitted to become effective subject to the terms and conditions prescribed in Rule U-24.

It is further ordered, That Georgia's application for an exception from the

competitive bidding requirements of Rule U-50 with respect to the issuance and sale of its new preferred stock be, and the same hereby is, granted.

It is further ordered, That this order shall become effective upon its issuance.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-7319; Filed, Sept. 17, 1954; 8:46 a. m.]

[File No. 70-3286]

NEW ENGLAND ELECTRIC SYSTEM

ORDER AUTHORIZING ISSUANCE AND SALE OF COMMON STOCK PURSUANT TO RIGHTS OFFERING

SEPTEMBER 14, 1954.

New England Electric System ("NEES") a registered holding company, having filed with this Commission a declaration, pursuant to sections 7 and 12 of the Public Utility Holding Company Act of 1935 ("the act") and Rules U-42 and U-50 promulgated thereunder, with respect to the following proposed transactions:

NEES proposes to issue and sell 910,883 additional shares of its common stock of $1 per value. The shares are to be offered to the common stockholders of NEES for subscription during a period of not less than fourteen nor more than seventeen days on the basis of one share for each 10 shares held on the record date, which will be the effective date of the registration statement filed with this Commission in connection with such issue and sale. NEES expects to set the subscription price for the shares offered to its shareholders as hereinafter described. The rights to subscribe are to be evidenced by subscription warrants. No fractional shares are to be issued. However, in lieu of rights for fractional shares, a stockholder will be entitled to subscribe for one additional share in excess of the whole number to which he would otherwise be entitled. Accordingly, if said proposed 910,883 shares are insufficient to satisfy this right, NEES proposes to issue such additional shares in excess of this number as may be necessary.

NEES proposes, if considered necessary or desirable, to stabilize the price of its common stock for the purpose of facilitating the offering and distribution of the additional shares of common stock by the purchase of not in excess of 45,544 shares of its common stock.

The above described offering is to be underwritten and the company proposes to select the underwriters through competitive bidding pursuant to Rule U-50. At least 24 hours prior to the time for the submission and opening of bids, NEES expects to set the price for the unsubscribed shares (which price will be the same as the subscription price) and NEES expects that such price will not be more than the last reported sale price on the New York Stock Exchange prior to the fixing thereof and not less than such last reported sale price less 15 percent. The underwriters will be required to purchase, at the subscription price, any unsubscribed shares and the stock, if any, acquired by the company through stabilizing operations and will agree to pay NEES 50 percent of certain profits which may be realized by them on sales of the common stock purchased by them under the underwriting agreement. It is stated in the declaration that NEES will reimburse the underwriters for the payment of any dealer of 25¢ per share where his name appears on the warrant exercised by the original holder thereof, such reimbursement, with certain exceptions, being limited to $250 in the case of any single stockholder.

The net proceeds to be derived from the proposed sale of the additional shares of common stock will be added to the general funds of NEES and applied in furtherance of the construction programs of its subsidiaries either through loans or the purchase of additional shares of their common stocks, any balance to be used for general corporate purposes.

Fees and expenses of the issuance and sale, other than underwriting compensation and reimbursement for payments of compensation to soliciting dealers, are estimated as follows:

Securities and Exchange Commission filing fee	$1,003
Federal original issue stamp tax	3,000
Services performed at cost by New England Power Service Co., an affiliated service company	21,000
Printing costs	32,000
Services of independent public accountants	4,000
Services of transfer agents and registrar	12,000
Services of subscription agents, including $9,000 estimated expenses	67,500
Services ($20,000) and expenses ($4,000) of the First Boston Corp., financial adviser	24,000
Miscellaneous	8,032
Total	174,000

The fee and expenses of Messrs. Simpson Thacher & Bartlett, counsel for the underwriters, are estimated at $3,500 and $500, respectively, which will be paid by the underwriters.

It is represented that no State commission, or any other Federal commission, has jurisdiction over the proposed transactions. Declarant has waived the 30-day waiting period and requests that said order become effective upon issuance.

Said declaration having been filed on August 11, 1954, and the last amendment thereto having been filed on September 9, 1954, and notice of the filing of said declaration having been given in the form and manner prescribed by Rule U-23 promulgated under the act, and the Commission not having requested a hearing with respect to said declaration, as amended, within the time specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The Commission finding with respect to the proposed transactions that all applicable provisions of the act and the rules promulgated thereunder are satisfied, that no adverse findings are required thereunder, that, with the exception of the fee and expenses of The First Boston Corporation and counsel for the underwriters, as to which the record is not complete, the expenses, as estimated, are not unreasonable; and deeming it appropriate in the public interest and in the interest of investors and consumers to permit said declaration, as amended, to become effective forthwith, subject to the terms and conditions prescribed in Rules U-24 and U-50 and to a reservation of jurisdiction over the fee and expenses of The First Boston Corporation and counsel for the underwriters:

It is ordered, Pursuant to the applicable provisions of the act and the rules thereunder, that said declaration, as amended, be, and the same hereby is, permitted to become effective forthwith, subject, however, to the provisions of Rules U-24 and U-50.

It is further ordered, That jurisdiction be, and the same hereby is, reserved with respect to the fee and expenses of The First Boston Corporation and counsel for the underwriters.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-7318; Filed, Sept. 17, 1954; 8:46 a. m.]

[File No. 70-3294]

MISSISSIPPI POWER & LIGHT CO.

NOTICE OF FILING REGARDING ISSUANCE AND SALE OF PREFERRED STOCK SUBJECT TO EXCHANGE OFFER

SEPTEMBER 14, 1954.

Notice is hereby given that a declaration has been filed with this Commission by Mississippi Power & Light Company ("Mississippi") a public-utility subsidiary of Middle South Utilities, Inc., a registered holding company. The declarant has designated sections 6 (a) 7 and 12 (c) of the Public Utility Holding Company Act of 1935 ("act") and Rules U-23, U-42 and U-50 promulgated thereunder, as applicable to the proposed transactions, which are summarized as follows:

Mississippi has outstanding 44,476 shares of $6 Preferred Stock, without par value, and 60,000 shares of 4.36 percent Preferred Stock, with par value of $100 per share. Approximately 60 percent of the holders of $6 Preferred Stock of the company reside in the State of Mississippi. The company proposes to refinance its $6 Preferred Stock by issuing 44,476 shares of New Preferred Stock, $100 par value, to be created by amendment of its Certificate of Incorporation, the rights, privileges and other distinguishing characteristics of which will be identical, except as to dividend rate and redemption prices, with those of its 4.36 percent Preferred Stock. The holders of the $6 Preferred Stock will be offered during a 14 day period the privilege of exchanging one share of $6 Preferred Stock for one share of New Preferred Stock plus cash in an amount which, together with the initial public offering price of the New Preferred Stock (not more than $105 per share) will have an aggregate value equal to the redemption price of the $6 Preferred Stock ($110 per share). A cash adjustment for accrued

dividends on the $6 Preferred Stock and the New Preferred Stock will also be made. Unexchanged shares of New Preferred Stock will be sold to underwriters and the shares of $6 Preferred Stock not so exchanged will be called for redemption at their redemption price of $110 per share plus accrued dividends. The exchange offer will be conditioned upon the purchase of unexchanged shares of New Preferred Stock by the underwriters. The dividend rate and the initial public offering price of the New Preferred Stock (which will be not more than $105 per share) are to be fixed by Mississippi and will be supplied by amendment.

Mississippi will publicly invite proposals, pursuant to Rule U-50, which will specify the aggregate amount of compensation to be paid the underwriters for their agreement to purchase the unexchanged stock and for their undertaking to form and manage a group of securities dealers to solicit exchanges. Said group will include all securities dealers having offices in the State of Mississippi who are members in good standing of the National Association of Securities Dealers, Inc., and who may desire to participate in such solicitation. The soliciting dealer group also may include such other dealers who are members of said Association as may be selected by the underwriters. Such soliciting dealers (and any underwriters) will be paid compensation by the representative of the underwriters upon receipt from the company of funds therefor, on the basis of $1.00 per share in respect of each share of $6 Preferred Stock deposited for exchange with a letter of transmittal naming the soliciting dealer as having solicited such exchange: *Provided, however* That the maximum payment to be made in respect of a deposit of shares of $6 Preferred Stock by any one stockholder shall be $150 and the minimum payment shall be $5.00. No compensation will be paid with respect to any exchange for a soliciting dealer's own account. Mississippi will pay or reimburse the representative for the aggregate compensation payable to soliciting dealers, plus an over-riding fee equal to 10% of such aggregate compensation payable to soliciting dealers.

In the event that any underwriter disposes of any unexchanged stock prior to the expiration of 60 days following the expiration of the exchange offer at a price which, after deducting any selling concession and federal and state stock transfer taxes, is in excess of the "initial public offering price," such underwriter shall share the aggregate amount of such excess equally with the company.

Mississippi proposes, concurrently with the issuance of the New Preferred Stock, to amend its Certificate of Incorporation so as to eliminate authorization of the $6 Preferred Stock.

Notice is further given that any interested person may, not later than October 4, 1954, at 5:30 p. m., e. s. t., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request, the nature of his interest and the issues of fact or law raised by said declaration which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, said declaration, as filed or as amended, may be permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act or the Commission may exempt such transactions as provided in Rules U-20 (a) and U-100 thereof.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-7314; Filed, Sept. 17, 1954; 8:45 a. m.]

[File No. 811-338]

ALLEGHANY CORP.

ORDER POSTPONING HEARING

On July 7, 1954 this Commission issued its Notice of and Order for hearing in these proceedings (Investment Company Act Release No. 1990) ordering that hearings herein be held July 27, 1954. On July 19, 1954 Alleghany Corporation filed a Motion to Postpone said hearings until a date to be subsequently determined, and pursuant to stipulation between Alleghany and the Commission said hearings were postponed until September 15, 1954.

Alleghany having renewed its Motion to Postpone, on September 13, 1954, it was further stipulated between Alleghany and the Commission that the hearings in these proceedings be further postponed until October 19, 1954: *Provided, however,* That if the Interstate Commerce Commission, before such date, revokes, modifies or suspends its order dated June 5, 1945, entered in Finance Docket 14692, in such manner as to relieve Alleghany from compliance with certain provisions of the Interstate Commerce Act specified in said order, said hearings might be reconvened on 5 days' notice to Alleghany: *And provided further,* That in the event that the Interstate Commerce Commission should so revoke, modify or suspend its order of June 5, 1945, then until the conclusion of the hearings herein Alleghany will not, without first obtaining the approval of this Commission, engage in any act or consummate any transactions which, if Alleghany was registered under the Investment Company Act of 1940, would by the terms of that Act either be prohibited or require an order of this Commission exempting or approving such transactions before their consummation.

The Commission being of the opinion, on the basis of the stipulation of September 13, 1954, above recited, that the Motion to Postpone the hearings in these proceedings may appropriately be granted in the public interest and the interest of investors:

It is hereby ordered, That the Motion to Postpone the hearings ordered to be held on September 15, 1954, in these proceedings be, and the same hereby is, granted and said hearings be and the same are hereby postponed until October 19, 1954, or until such earlier date as may be ordered by the Commission pursuant to the terms of the stipulation entered into by Alleghany under date of September 13, 1954.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-7316; Filed, Sept. 17, 1954; 8:46 a. m.]